CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLE

Measuring the public sector borrowing requirement

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Release dates of economic statistics to be published in September 1980

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in September 1980. The dates are targets which are normally expected to be met. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about individual series should be made to the source named.

Publication date	Series	Method of release	Source
September 1980			
Mon 1	CBI Monthly Trends Inquiry (August)	PN	CBI
	UK Balance of Payments 1980 Edition (Pink Book)	Pink Book	CSO
Tues 2	UK official reserves (August)	PN	HM Treasury
	Capital issues and redemptions (during the month of August)	PN	Bank of England
Wed 3	Advance energy statistics (July)	PN	D of Energy
Thurs 4	Provisional figures of vehicle production (August)	PN	D of Industry
	UK Balance of payments (2nd quarter)	PN	CSO
Fri 5	Company liquidity survey (2nd quarter)	*British business*	D of Industry
Mon 8	Hire purchase and other instalment credit business (July)	PN	D of Trade
	Retail sales (July – final)	PN	D of Trade
	Wholesale price index numbers (August – provisional)	PN	D of Industry
Tues 9	UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-August)	PN	Bank of England
	London clearing banks' monthly statement (mid-August)	PN	CLCB
	Central government transactions (including borrowing requirement) (August)	PN	HM Treasury
	Housing starts and completions (July)	PN	D of the Environment
Wed 10	Construction – output (2nd quarter)	PN	D of the Environment
Fri 12	Retail price index (August)	PN	D of Employment
	Tax and price index (August)	PN	CSO
	National Income and Expenditure 1980 Edition	Blue Book	CSO
	Usable steel production (August)	PN	BSC/BISPA
	Building societies' monthly figures (August)	PN	BSA
Mon 15	Retail sales (August – provisional)	PN	D of Trade
	Balance of payments current account and overseas trade figures (August)	PN	D of Trade/CSO
	Index of industrial production (July – provisional)	PN	CSO
Wed 17	Cyclical indicators for the UK economy (August)	PN	CSO
	Indices of average earnings (July)	PN	D of Employment
	Indices of basic rates of wages (August)	PN	D of Employment
	Money stock (2nd quarter)	*Bulletin*	Bank of England
	Financing of the central government borrowing requirement (2nd quater)	*Bulletin*	Bank of England
	UK banking sector statistics (2nd quarter)	*Bulletin*	Bank of England
Thurs 18	London dollar and sterling certificates of deposit (mid-August)	PN	Bank of England
	UK banks' assets and liabilities and the money stock (mid-August)	PN	Bank of England
	Capital expenditure by the manufacturing, distributive and service industries (2nd quarter – revised)	PN	D of Industry
	Manufacturers and distributors stocks (2nd quarter – revised)	PN	D of Industry
Sun 21	Department for National Savings' monthly progress report (August)	PN	D for National Savings
Mon 22	Construction – new orders (July)	PN	D of the Environment
	National Food Survey report on consumption (1st quarter)	PN	MAFF
	CBI Monthly Trends Inquiry (September)	PN	CBI
	Gross domestic product (2nd quarter – provisional)	PN	CSO
Tues 23	Unemployment (September – provisional)	PN	D of Employment
	Unfilled vacancies (September – provisional)	PN	D of Employment
	New vehicle registrations (August)	PN	D of Transport
Thurs 25	Unemployment and unfilled vacancies (August – final)	*Gazette*	D of Employment
	Employment in the production industries (July)	*Gazette*	D of Employment
	Overtime and short-time working in manufacturing industries (July)	*Gazette*	D of Employment
	Stoppages of work due to industrial disputes (August)	*Gazette*	D of Employment
	Finished steel consumption and stock changes (2nd quarter – final)	*British business*	D of Industry
	Energy Trends	PN	D of Energy
Fri 26	Sales and orders in the engineering industries (June)	*British business*	D of Industry
	Car and commercial vehicle production (August – final)	*British business*	D of Industry
Mon 29	Quarterly analysis of bank advances (mid-August)	PN	Bank of England

PN—*Press Notice*

CENTRAL STATISTICAL OFFICE

Economic Trends

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Government Statistical Service

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The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

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Introduction

Economic Trends brings together all the main economic indicators.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of recent economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.

- The main section shows the movements of the key economic indicators over the last five years or so. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

- A further chart shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 20 August. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

5. 'Billion' denotes one thousand millions.

Symbols used:

..	not available or not meaningful
–	nil or less than half the final digit shown
§	series for which measures of variability are given on page 80
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

The Editor would welcome readers' suggestions for improvements to *Economic Trends*

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Latest developments in the economy[1]

(Data available at 20 August 1980)

Output

There was a 1½ per cent fall in the preliminary output-based estimate of gross domestic product for the second quarter. There was a fall of about 2½ per cent in industrial production and there was less activity in the distributive and motor trades. Except for metal manufacturing, which showed a very strong recovery from the steel strike, most broad groupings within the index of industrial production showed falls in output.

Balance of payments

There was a visible trade surplus of £226 million in May to July (reflecting an exceptional surplus in July) following a deficit of £672 million in the previous three months. This improvement of almost £900 million included a reduction of £300 million in the deficit on trade in semi-manufactures *less* erratics (caused mainly by a return to normal trade in silver) but the deficit on iron and steel was little changed. There was an improvement of £300 million in the surplus for finished manufactures, *less* erratics. Exports, at £12·0 billion, were up by £170 million in value but there was a marginal fall in volume, with the trend remaining broadly flat. The value of imports fell by over £700 million to £11·8 billion and there was a 3½ per cent fall in volume. The terms of trade index rose by 2 per cent (3½ per cent excluding oil).

There was a large and exceptional surplus on trade in goods in July at £261 million. With a surplus on invisible transactions projected at £50 million, the estimated current account surplus in the month was £311 million.

Consumers' expenditure

The volume of consumers' expenditure in the second quarter was nearly 3 per cent less than in the first. There were large falls in expenditure on wines and spirits and on motor vehicles. There were smaller falls in expenditure on most other goods and services except on food, which was about the same, and on expenditure abroad, which rose substantially.

In the three months May to July, the volume of retail sales was about 1½ per cent less than in the previous three months. In July it was at about the average level of the previous two months.

Earnings and wage rates

The whole economy index of average earnings in Great Britain rose from 177·0 in May to 182·2 in June (January 1976 = 100). The increase over June 1979 was 21·7 per cent.

The index of basic weekly wage rates for manual workers (not seasonally adjusted) at the end of July was 19·1 per cent higher than a year earlier.

Prices (not seasonally adjusted)

The RPI for July was 267·9 (January 1974 = 100) representing an increase of 0·8 per cent on June and of 16·9 per cent on July 1979.

The WPI for home sales of manufactured products rose by 1 per cent between June and July, and was 16¼ per cent higher than in July 1979.

The price index for materials and fuel purchased by manufacturing industry increased by ½ per cent between June and July. The increase on July 1979 was 20 per cent.

The TPI in July at 134·9 (January 1978 = 100) was 18·5 per cent higher than in July 1979.

Official reserves and the exchange rate (not seasonally adjusted)

The UK official reserves rose by $100 million in July to $28,272 million at the end of the month. This takes into account accruals of public sector borrowing under the exchange cover scheme of $134 million and repayments of $169 million, a repayment of $82 million of the IMF oil facility and a valuation increase of $58 million arising from the quarterly rollover of the ECU swap.

The sterling effective exchange rate index (1971 = 100) was 74·5 on 1 August and, after rising steadily during the month, reached 75·7 on 18 August.

Financial aggregates

Sterling M_3 rose by £2,950 million (5 per cent) in the banking month of July (4 weeks ended 16 July). A readjustment of banking business following the ending of the Supplementary Special Deposits Scheme was a principal cause of this sudden jump. After making allowance for this and other special factors there does not appear to have been an acceleration in the underlying rate of growth in July. M_1 also rose sharply, by £980 million (3·6 per cent).

Domestic credit expanded by £3,500 million. Bank lending in sterling to the private sector was the largest component at £2,430 million though there was a reduction of around £1 billion of bank acceptances previously held outside the banking system. There was a large increase of £660 million in lending in sterling to overseas. The central government borrowing requirement at £420 million was lower than the average of previous months and on-lending to the rest of the private sector more than accounted for this. The direct contribution to domestic credit expansion was large at £580 million. Net sales of central government debt to the non-bank private sector were £590 million.

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Economic events

July

16 A proposal to relax Post Office monopoly on postal services was announced.

21 A proposal to relax Post Office telecommunication monopoly was announced.

21 A proposal to end electricity supply monopoly was announced.

22 The Armstrong report on budgetary reform was published (Institute of Fiscal Studies).

23 Statement made on oil depletion policy. Some production is to be deferred from the 1980s.

24 A Green Paper was published containing proposals on simplifying bankruptcy procedures.

29 The Prime Minister announced that Enterprise Zones were to be set up in Belfast, the lower Swansea valley, Clydebank, Tyneside, Merseyside, greater Manchester and the Isle of Dogs in London. She also announced £25 million aid for an Inmos micro-chip factory in South Wales, and £6·1 million for Dunlop to modernise its UK tyre operations.

August

1 The Employment Act and the Finance Act received the Royal Assent.

4 It was announced that the Clegg Comparability Commission was to be abolished and that the Top Salaries Review Body, the Armed Forces Pay Review Body and the Doctors and Dentists Review Body were to continue.

8 The Housing Act, the Health Services Act and the Coal Industry Act received the Royal Assent.

Selected monthly indicators[1]

	Seasonally adjusted				Unadjusted						Seasonally adjusted	
	1976 =100	1975 =100	Thousands		Jan. 1976 =100	1975 =100	Jan. 1974 =100	Jan. 1978 =100	Dec. 1971 =100	$ billion	£ million	
	Volume of retail sales (GB)[2,3,4] §	Index of industrial production[5] §	Unemployment[6,7,9] §	Vacancies[8,9] §	Average earnings (whole economy: GB)	Wholesale price of materials and fuel[10]	Retail price index (all items)	Tax and price index[11]	Sterling effective exchange rate	U.K. official reserves[12]	Balance of payments: Current balance	Money stock sterling M 3
1978 O	101·2	108·9	1,347·4	232·9	135·2	145·7	201·1	102·4	62·5	16·0	+ 19	48,730
N	100·8	109·7	1,333·3	235·1	136·1	147·3	202·5	103·2	62·5	15·7	+ 46	49,090
D	103·1	111·3	1,323·5	238·1	138·0	148·3	204·2	104·3	63·2	15·7	+192	49,600
1979 J	99·5	105·2	1,340·9	236·2	135·7	151·8	207·2	106·1	63·5	16·3	− 46	50,500
F	101·1	112·5	1,366·0	229·0	141·1	153·3	208·9	107·2	63·7	16·6	−606	50,780
M	101·8	113·3†	1,360·3	232·0	143·7	155·2	210·6	108·2	65·0	21·9	−516	50,390
A	106·2	113·6	1,325·3	243·6	144·3	160·6	214·2	110·5	66·9	21·5	−102	51,410
M	102·8	114·9	1,306·1	254·6	146·9	162·8	215·9	111·6	66·9	21·5	−140	52,190
J	109·4	116·0	1,281·8	258·8	150·9	166·6	219·6	113·8	68·3	22·1	−115	52,650
J	98·6	115·4	1,276·4	252·9	155·6	168·1	229·1	113·8	71·9	23·4	+ 80	53,100
A	100·9	111·9	1,262·0	248·6	153·3[13]	169·1	230·9	114·9	71·4	23·2	− 89	53,840
S	99·5	110·6	1,261·9	245·9	153·6[13]	172·5	233·2	116·2	69·8	22·7	− 74	54,180
O	100·9	111·6	1,278·8	238·4	158·1	178·1	235·6	117·6	68·4	22·3	−406	55,160
N	102·5	113·9	1,283·7	234·6	162·1	186·0	237·7	118·8	68·4	22·2	− 64	55,700
D	101·6	111·9	1,297·7	222·3	165·1	187·5	239·4	119·8	69·7	22·5	−241	55,750
1980 J	103·1	111·8	1,336·7	206·9	163·0[14]	193·5	245·3	123·2	71·4	23·4	−213	56,250
F	103·9	110·3	1,383·1	191·4	167·3[14]	197·6	248·8	125·3	72·8	23·7	−130	56,580†
M	102·6	108·9	1,413·5	180·8	172·8[14]	200·4	252·2	127·2	72·3	27·0	− 74	56,860
A	102·3	107·2	1,458·1	168·5	175·0†	202·3	260·8	130·8	72·9	28·0	−214	57,050
M	100·6	106·9	1,483·8	163·0	178·1†	200·4†	263·2	132·2	73·6	28·3	+ 32	58,280
J	101·6†	108·2	1,535·1	146·7	183·6[15]	201·1[15]	265·7	133·6	73·7	28·2	+ 33	58,720
J	101·0[15]		1,605·7	126·0		201·8[15]	267·9	134·9	74·6	28·3		61,670
A												
S												
	Percentage change, latest three months on previous three months											
1979 O	*− 3·5*	*− 3·6*	*− 1·6*	*− 4·4*	*+ 2·6*	*+ 4·5*	*+ 5·3*	..	*+ 1·2*	..	..	*+ 3·3*
N	*− 2·5*	*− 2·1*	*+ 0·1*	*− 5·4*	*+ 3·0*	*+ 6·5*	*+ 4·0*	..	*− 2·4*	..	..	*+ 3·4*
D	*+ 2·0*	*− 0·1*	*+ 1·6*	*− 7·0*	*+ 5·0*	*+ 8·2*	*+ 2·8*	..	*− 3·1*	..	..	*+ 3·4*
1980 J	*+ 2·0*	*+ 1·0†*	*+ 3·0*	*− 9·4*	*+ 5·4*[14]	*+ 9·1*	*+ 3·3*	..	—	..	..	*+ 2·8*
F	*+ 1·9*	*− 0·6*	*+ 5·0*	*−13·7*	*+ 4·6*[14]	*+ 7·8*	*+ 3·8*	..	*+ 3·5*	..	..	*+ 2·1*
M	*+ 1·5*	*− 1·9*	*+ 7·1*	*−16·7*	*+ 3·6*[14]	*+ 7·2*	*+ 4·7*	..	*+ 4·8*	..	..	*+ 1·8*
A	*+ 0·5*	*− 3·3*	*+ 8·6*	*−18·5*	*+ 5·1*	*+ 5·9*	*+ 5·4*	..	*+ 4·1*	..	..	*+ 1·7†*
M	*− 0·9*	*− 3·3*	*+ 8·4*	*−17·5*	*+ 6·2*	*+ 4·2*	*+ 5·8*	..	*+ 2·3*	..	..	*+ 2·1*
J	*− 1·6†*	*− 2·6*	*+ 8·3*	*−17·4*	*+ 6·7*[15]	*+ 2·1*[15]	*+ 5·8*	..	*+ 1·7*	..	..	*+ 2·6*
J	*− 1·7*[15]		*+ 8·7*	*−19·4*		*+ 0·5*[15]	*+ 4·6*		*+ 1·8*			*+ 4·8*
A												
S												
	Percentage change, latest three months on corresponding period of previous year											
1979 O	*− 1·4*	*+ 0·9*	*− 6·7*	*+ 9·1*	*+15·9*	*+19·6*	*+16·5*	*+14·1*	*+11·7*	..	..	*+12·6*
N	*− 0·2*	*+ 2·0*	*− 5·3*	*+ 3·8*	*+16·8*	*+22·6*	*+17·0*	*+14·7*	*+10·1*	..	..	*+12·9*
D	*− 0·1*	*+ 2·3*	*− 3·6*	*− 1·5*	*+18·6*	*+25·0*	*+17·3*	*+14·9*	*+ 9·7*	..	..	*+13·0*
1980 J	*+ 1·1*	*+ 3·5†*	*− 2·0*	*− 6·4*	*+19·6*[14]	*+26·7*	*+17·7*	*+15·4*	*+10·7*	..	..	*+12·4*
F	*+ 1·5*	*+ 1·5*	*− 0·3*	*−11·8*	*+19·4*[14]	*+27·6*	*+18·2*	*+16·0*	*+12·3*	..	..	*+11·7*
M	*+ 2·4*	—	*+ 1·6*	*−16·9*	*+19·7*[14]	*+28·5*	*+19·1*	*+16·9*	*+12·6*	..	..	*+11·9†*
A	—	*− 3·8*	*+ 5·0*	*−23·3*	*+20·0*	*+28·0*	*+20·2*	*+17·6*	*+11·5*	..	..	*+11·7*
M	*− 1·5*	*− 5·5*	*+ 9·1*	*−29·8*	*+20·9*	*+26·0*	*+21·1*	*+16·2*	*+10·1*	..	..	*+11·8*
J	*− 4·6†*	*− 6·4*	*+14·4*	*−36·8*	*+21·4*[15]	*+23·2*[15]	*+21·5*	*+18·1*	*+ 9·0*	..	..	*+11·4*
J	*− 2·8*[15]		*+19·7*	*−43·1*		*+21·3*[15]	*+19·9*	*+18·1*	*+ 7·2*			*+13·1*
A												
S												

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences, January 1980 is exceptionally a five-week period. Further details are given on page 716 of *Trade and Industry* 14 March 1975.
[4] This series has been rebased on the 1976 retailing inquiry. Further details are given on page 336 of *British business*, 29 February 1980, and on page 437 of the 14 March 1980 issue.
[5] All industries covered. [6] Unemployed excluding school-leavers.
[7] From October 1979, figures have been adjusted for the effects of fortnightly payment of benefit, as described on page 1151 of *Employment Gazette*, November 1979. [8] Vacancies notified to employment offices. [9] The seasonally adjusted series have been revised as described in the March 1980 *Employment Gazette*. [10] Purchased by manufacturing industry.
[11] Described in an article in *Economic Trends* No. 310, August 1979. [12] See footnote [2] on page 50. [13] These figures are affected by the industrial dispute in the engineering industries. [14] See footnote [5] on page 40. [15] Provisional.

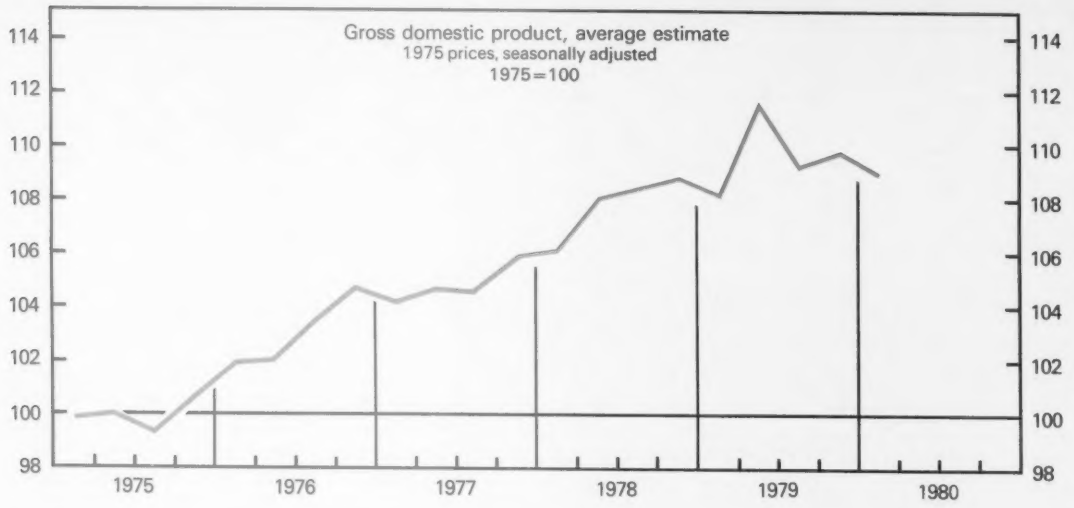
Tables and charts

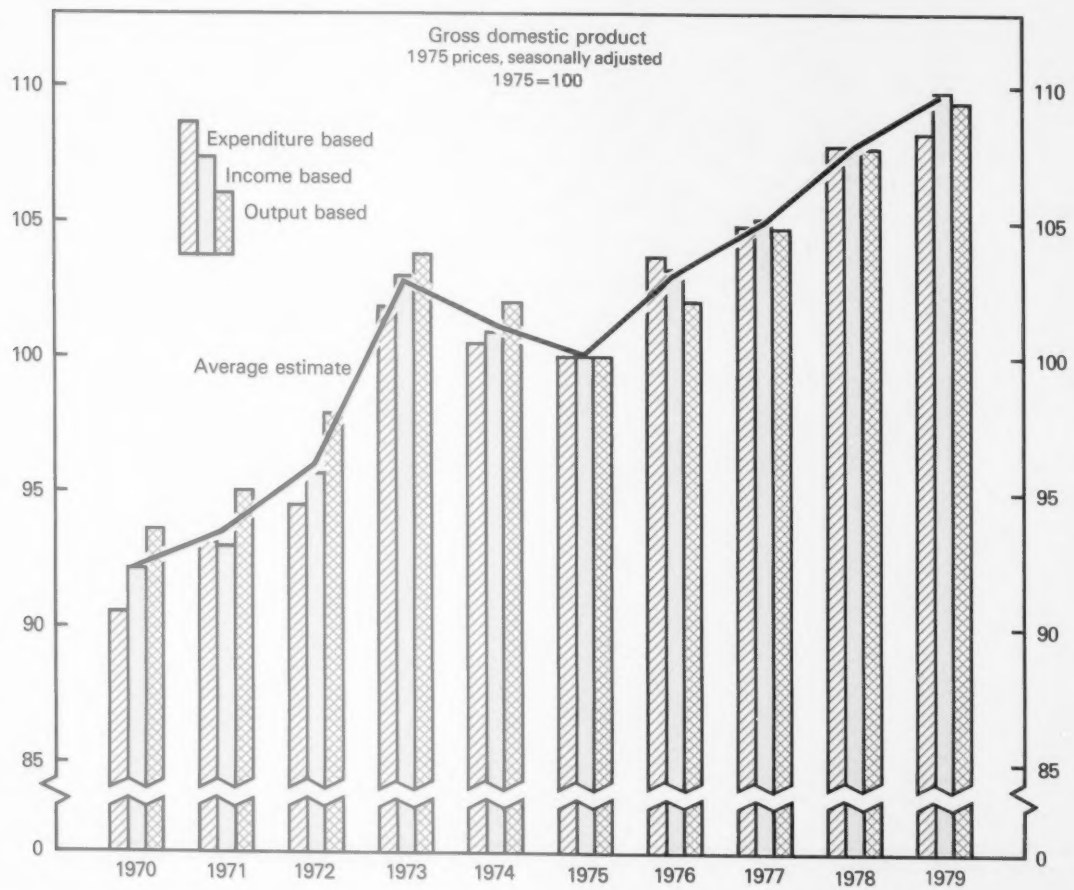
Gross domestic product at factor cost, total home costs and national disposable income revalued at 1975 market prices[1]

Seasonally adjusted

	Gross domestic product at factor cost									Implied index of total home costs	National disposable income at 1975 market prices[2]
	At current prices				At 1975 factor cost						
	£ million		1975 =100		£ million	1975 =100				1975 =100	1975 =100
	Based on:		Based on:		Based on:	Based on:				Based on:	
	expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	expenditure data	Average estimate
1969	39,579	39,902	42·1	42·8	83,384	88·8	90·2	92·0	90·3	47·5	93·7
1970	43,466	43,847	46·3	47·1	85,121	90·6	92·1	93·6	92·1	51·1	96·2
1971	49,368	48,946	52·6	52·5	87,179	93·1	93·0	95·0	93·7	56·6	98·2
1972	55,182	55,446	58·7	59·5	88,551	94·5	95·7	97·9	96·0	62·3	100·9
1973	64,128	64,300	68·3	69·0	95,754	101·9	103·0	103·7	102·9	67·0	106·0
1974	74,181	73,791	79·0	79·2	94,483	100·6	100·9	102·0	101·2	78·5	100·4
1975	93,937	93,193	100·0	100·0	93,937	100·0	100·0	100·0	100·0	100·0	100·0
1976	110,721	109,370	117·9	117·4	97,448	103·7	103·3	102·1	103·0	113·6	102·8
1977	125,456	124,829	133·6	133·9	98,568	104·9	105·2	104·7	104·9	127·3	103·8
1978	143,447	142,251	152·7	152·6	101,390	107·9	107·9	107·8	107·9	141·5	108·6
1979	162,104	162,651	172·6	174·5	101,938	108·5	109·8	109·5	109·7	159·0	111·2
1975 *1*	21,605	21,555	92·0	92·5	23,261	99·1	99·6	101·2	99·9	92·9	100·0
2	23,141	22,702	98·5	97·5	23,669	100·8	99·7	99·8	100·1	97·8	
3	23,967	23,912	102·1	102·6	23,259	99·0	99·6	99·3	99·3	103·0	100·0
4	25,224	25,024	107·4	107·4	23,748	101·1	101·1	99·7	100·7	106·2	
1976 *1*	26,401	25,597	112·4	109·9	24,295	103·5	101·1	101·0	101·9	108·7	102·0
2	26,996	26,698	115·0	114·6	24,028	102·3	102·0	101·7	102·0	112·4	
3	28,057	27,936	119·5	119·9	24,434	104·0	104·5	101·9	103·5	114·8	103·5
4	29,267	29,139	124·6	125·0	24,691	105·2	105·6	103·9	104·8	118·5	
1977 *1*	29,749	29,907	126·7	128·4	24,280	103·4	104·7	104·8	104·3	122·5	102·7
2	30,634	30,953	130·4	132·8	24,465	104·2	106·1	104·2	104·8	125·2	
3	32,046	31,638	136·5	135·8	24,658	105·0	104·5	104·7	104·7	130·0	104·7
4	33,027	32,331	140·6	138·8	25,165	107·1	105·7	105·1	106·0	131·2	
1978 *1*	34,169	33,594	145·5	144·2	25,052	106·7	105·7	106·2	106·2	136·4	107·5
2	35,177	35,257	149·8	151·3	25,269	107·6	108·7	108·0	108·1	139·2	
3	36,661	36,369	156·1	156·1	25,448	108·3	108·4	108·6	108·5	144·1	109·7
4	37,440	37,031	159·4	159·0	25,621	109·1	108·8	108·6	108·8	146·1	
1979 *1*	37,414	37,570	159·3	161·3	25,021	106·5	107·9	108·0	108·2[4]	149·5	111·3[4]
2	40,621	40,247	173·0	172·7	26,011	110·8	110·6	111·4	111·6[4]	156·2	
3	41,426	41,519	176·4	178·2	25,514	108·7	109·8	109·1	109·3[4]	162·4	111·1[4]
4	42,643	43,315	181·6	185·9	25,392	108·1	110·7	109·6	109·8[4]	167·9	
1980 *1*	43,678	44,594	186·0	191·4	25,208	107·3	110·5	108·8	109·0[4]	173·3	
2											
	Percentage change, period on corresponding period of previous year.										
1977 *2*	*+13·5*	*+15·9*	*+13·5*	*+15·9*	*+1·8*	*+1·8*	*+4·0*	*+2·5*	*+2·8*	*+11·4*	*+0·7*
3	*+14·2*	*+13·3*	*+14·2*	*+13·3*	*+0·9*	*+0·9*	*—*	*+2·8*	*+1·2*	*+13·2*	*+1·2*
4	*+12·9*	*+11·0*	*+12·9*	*+11·0*	*+1·9*	*+1·9*	*+0·1*	*+1·3*	*+1·2*	*+10·7*	
1978 *1*	*+14·9*	*+12·3*	*+14·9*	*+12·3*	*+3·2*	*+3·2*	*+1·0*	*+1·4*	*+1·8*	*+11·4*	*+4·7*
2	*+14·8*	*+13·9*	*+14·8*	*+13·9*	*+3·3*	*+3·3*	*+2·5*	*+3·7*	*+3·2*	*+11·2*	
3	*+14·4*	*+15·0*	*+14·4*	*+15·0*	*+3·2*	*+3·2*	*+3·7*	*+3·7*	*+3·6*	*+10·9*	*+4·8*
4	*+13·4*	*+14·5*	*+13·4*	*+14·5*	*+1·8*	*+1·8*	*+2·9*	*+3·3*	*+2·6*	*+11·4*	
1979 *1*	*+ 9·5*	*+11·8*	*+ 9·5*	*+11·8*	*−0·1*	*−0·1*	*+2·1*	*+1·7*	*+1·9*	*+ 9·6*	*+3·5*
2	*+15·5*	*+14·2*	*+15·5*	*+14·2*	*+2·9*	*+2·9*	*+1·8*	*+3·1*	*+3·2*	*+12·2*	
3	*+13·0*	*+14·2*	*+13·0*	*+14·2*	*+0·3*	*+0·3*	*+1·3*	*+0·5*	*+0·7*	*+12·7*	*+1·3*
4	*+13·9*	*+17·0*	*+13·9*	*+17·0*	*−0·9*	*−0·9*	*+1·8*	*+1·0*	*+1·4*	*+14·9*	
1980 *1*	*+16·7*	*+18·7*	*+16·7*	*+18·7*	*+0·8*	*+0·8*	*+2·4*	*+0·8*	*+0·7*	*+15·9*	
2											

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Introduced in an article on page xxviii *Economic Trends*, No. 255, January 1975.
[3] Income data deflated by the implied index of total home costs.
[4] Because of doubts about the reliability of the expenditure-based measure of GDP in 1979, these figures have been produced by projecting forward the average estimate in Q4 1978 by the quarterly movements in the output-based measure.


Gross domestic product, average estimate
1975 prices, seasonally adjusted
1975=100
114
112
110
108
106
104
102
100
98
1975
1976
1977
1978
1979
1980


Gross domestic product
1975 prices, seasonally adjusted
1975=100
Expenditure based
Income based
Output based
Average estimate
110
105
100
95
90
85
0
1970
1971
1972
1973
1974
1975
1976
1977
1978
1979

Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1975 prices

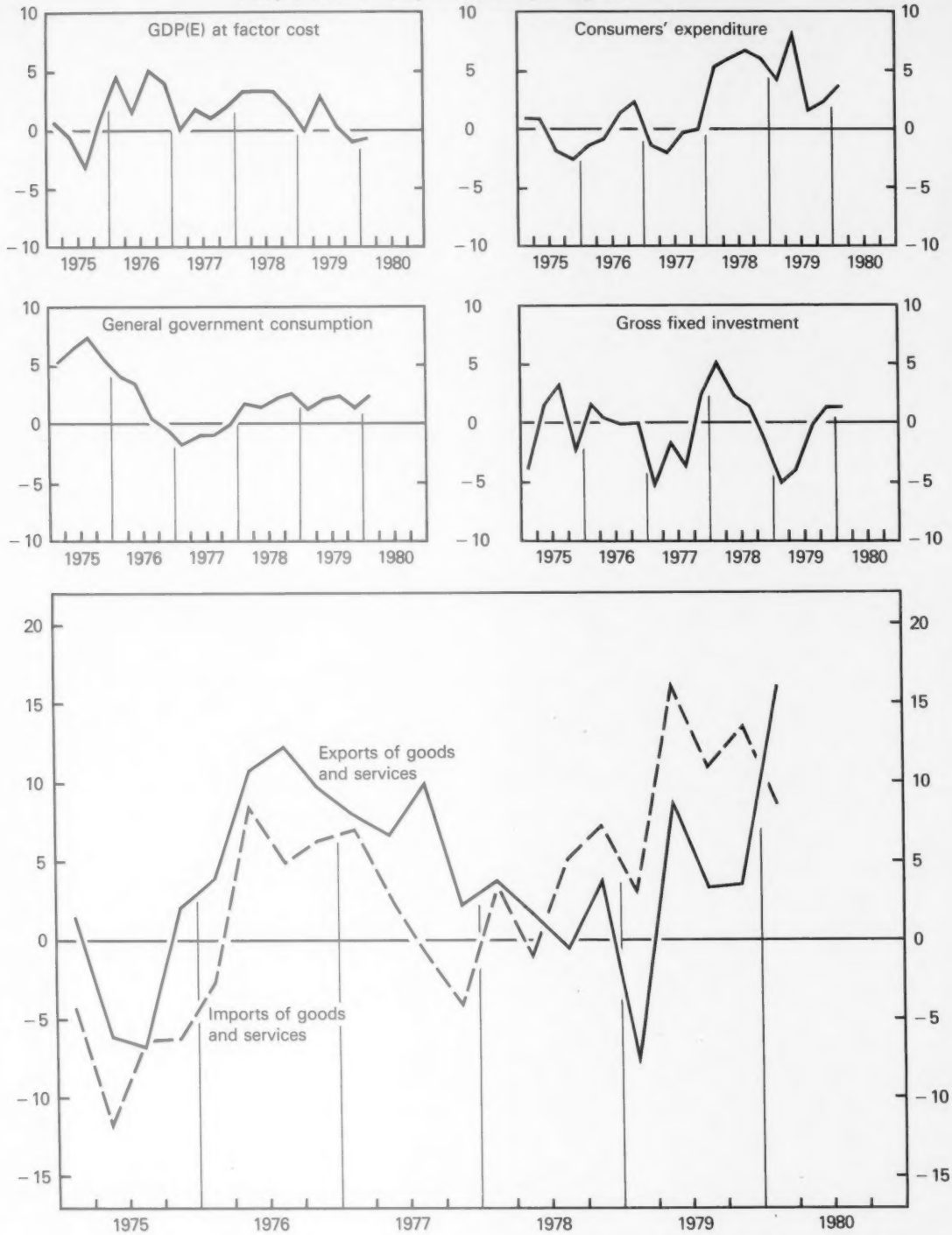
	Gross domestic product at factor cost (expenditure based)[1]	Final expenditure on goods and services at market prices							
		Total[1]	Consumers' expenditure§	General government consumption	Gross fixed investment§	Stock building§	Exports of goods and services§	Imports of goods and services§	Adjustment to factor cost
1969	83,384	115,040	56,169	18,808	18,924	927	20,405	22,745	8,823
1970	85,121	118,326	57,676	19,076	19,425	798	21,513	23,947	9,163
1971	87,179†	121,992†	59,584	19,642	19,735	188	22,981	25,206	9,510
1972	88,551	126,689	63,134	20,451	19,767	152	23,235	27,714	10,239
1973	95,754	137,604	66,155	21,426	21,111	3,043	25,869	30,936	10,914
1974	94,483	136,358	64,664	21,732	20,636	1,655	27,671	31,242	10,633
1975	93,937	133,378	64,250	23,050	20,545	−1,477	27,010	28,994	10,447
1976	97,448	138,528	64,481	23,477	20,637	457	29,476	30,223	10,857
1977	98,568	139,942	63,866	23,250	20,213	1,193	31,420	30,532	10,842
1978	101,390	144,925	67,711	23,704	20,594	806	32,110	31,643	11,892
1979	101,938	149,342	70,400	24,128	20,199	1,886	32,729	35,065	12,339
1974 *3*	24,051	34,580	16,196	5,438	5,042	809	7,095	7,874	2,655
4	23,485	33,862	16,268	5,556	5,175	42	6,821	7,721	2,656
1975 *1*	23,261	33,324	16,267	5,646	5,126	− 560	6,845	7,393	2,670
2	23,669	33,297	16,244	5,703	5,152	− 394	6,592	6,995	2,633
3	23,259	33,207	15,885	5,840	5,213	− 346	6,615	7,370	2,578
4	23,748	33,550	15,854	5,861	5,054	− 177	6,958	7,236	2,566
1976 *1*	24,295	34,164	16,051	5,873	5,210	− 83	7,113	7,204	2,665
2	24,028	34,334	16,092	5,896	5,160	− 121	7,307	7,592	2,714
3	24,434	34,870	16,100	5,866	5,207	270	7,427	7,728	2,708
4	24,691	35,160	16,238	5,842	5,060	391	7,629	7,699	2,770
1977 *1*	24,280	34,699	15,829	5,773	4,928	494	7,675	7,710	2,709
2	24,465	34,912	15,773	5,836	5,093	423	7,787	7,797	2,650
3	24,658	35,043	16,047	5,807	5,015	15	8,159	7,651	2,734
4	25,165	35,288	16,217	5,834	5,177	261	7,799	7,374	2,749
1978 *1*	25,052	35,985	16,649	5,879	5,180	310	7,967	7,972	2,961
2	25,269	35,924	16,717	5,911	5,229	141	7,926	7,711	2,944
3	25,448	36,506	17,144	5,929	5,090	221	8,122	8,051	3,007
4	25,621	36,510	17,201	5,985	5,095	134	8,095	7,909	2,980
1979 *1*	25,021	36,397	17,338	5,958	4,921	849	7,331	8,212	3,164
2	26,011	38,170	18,064	6,036	5,018	441	8,611	8,943	3,216
3	25,514	37,344	17,408	6,071	5,100	365	8,400	8,932	2,898
4	25,392	37,431	17,590	6,063	5,160	231	8,387	8,978	3,061
1980 *1*	25,208	37,403	18,002	6,109	4,988	− 210	8,514	8,920	3,275
2									

Percentage change, quarter on corresponding quarter of previous year.

1976 *3*	*+5·1*	*+5·0*	*+1·4*	*+0·5*	*−0·1*	..	*+12·3*	*+ 4·9*	*+ 5·0*
4	*+4·0*	*+4·8*	*+2·4*	*−0·3*	*+0·1*	..	*+ 9·6*	*+ 6·4*	*+ 8·0*
1977 *1*	*−0·1*	*+1·6*	*−1·4*	*−1·7*	*−5·4*	..	*+ 7·9*	*+ 7·0*	*+ 1·7*
2	*+1·8*	*+1·7*	*−2·0*	*−1·0*	*−1·3*	..	*+ 6·6*	*+ 2·7*	*− 2·4*
3	*+0·9*	*+0·5*	*−0·3*	*−1·0*	*−3·7*	..	*+ 9·9*	*− 1·0*	*+ 1·0*
4	*+1·9*	*+0·4*	*−0·1*	*−0·1*	*+2·3*	..	*+ 2·2*	*− 4·2*	*− 0·8*
1978 *1*	*+3·2*	*+3·7*	*+5·2*	*+1·8*	*+5·1*	..	*+ 3·8*	*+ 3·4*	*+ 9·3*
2	*+3·3*	*+2·9*	*+6·0*	*+1·3*	*+2·7*	..	*+ 1·8*	*− 1·1*	*+11·1*
3	*+3·2*	*+4·2*	*+6·8*	*+2·1*	*+1·5*	..	*− 0·5*	*+ 5·2*	*+10·0*
4	*+1·8*	*+3·5*	*+6·1*	*+2·6*	*−1·6*	..	*+ 3·8*	*+ 7·3*	*+ 8·4*
1979 *1*	*−0·1*	*+1·1*	*+4·1*	*+1·3*	*−5·0*	..	*− 8·0*	*+ 3·0*	*+ 6·9*
2	*+2·9*	*+6·3*	*+8·1*	*+2·1*	*−4·0*	..	*+ 8·6*	*+16·0*	*+ 9·2*
3	*+0·3*	*+2·3*	*+1·5*	*+2·4*	*+0·2*	..	*+ 3·4*	*+10·9*	*− 3·6*
4	*−0·9*	*+2·5*	*+2·3*	*+1·3*	*+1·3*	..	*+ 3·6*	*+13·5*	*+ 2·7*
1980 *1*	*+0·8*	*+2·8*	*+3·8*	*+2·5*	*+1·4*	..	*+16·1*	*+ 8·6*	*+ 3·5*
2									

[1] For years up to and including 1972, totals differ from the sum of the components due to the method used to rebase on 1975 prices.

1975 prices, seasonally adjusted, percentage change on year earlier



Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				Percentage	1975 prices		
	Personal income before tax		Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3]	Real personal disposable income[4]		Real consumers' expenditure §
	Total[1]	*of which:* Wages and salaries				£ million §	1975=100	£ million
1971	47,829	29,676	38,507	35,526	7·7	64,585	86·9	59,584
1972	54,218	33,136	44,205	40,095	9·3	69,606	93·7	63,134
1973	63,007	38,041	51,123	45,659	10·7	74,072	99·7	66,155
1974	76,080	46,000	60,610	52,316	13·7	74,916	100·8	64,664
1975	96,362	58,972	74,294	64,250	13·5	74,294	100·0	64,250
1976	111,424	66,586	85,459	74,550	12·8	73,917	99·5	64,481
1977	124,735	73,622	96,854	84,943	12·3	72,822	98·0	63,866
1978	142,197	83,587	112,249	97,912	12·8	77,626	104·5	67,711
1979	166,868	97,257	133,336	114,072	14·4	82,289	110·8	70,400
1975 *1*	22,506	13,972	17,591	14,883	15·4	19,215	103·4	16,267
2	23,572	14,351	18,281	15,977	12·6	18,576	100·0	16,244
3	24,811	15,158	18,970	16,418	13·4	18,343	98·8	15,885
4	25,473	15,491	19,452	16,972	12·8	18,160	97·8	15,854
1976 *1*	26,553	15,867	20,370	17,677	13·2	18,491	99·6	16,051
2	27,372	16,417	20,831	18,202	12·6	18,411	99·1	16,092
3	28,386	16,962	22,012	18,845	14·4	18,800	101·2	16,100
4	29,113	17,340	22,246	19,826	10·9	18,215	98·1	16,238
1977 *1*	30,199	17,896	23,169	20,126	13·1	18,221	98·1	15,829
2	30,634	18,160	23,549	20,820	11·6	17,840	96·1	15,773
3	31,403	18,523	24,482	21,745	11·2	18,066	97·3	16,047
4	32,499	19,043	25,654	22,252	13·3	18,695	100·6	16,217
1978 *1*	33,562	19,818	26,137	23,311	10·8	18,672	100·5	16,649
2	35,292	20,683	27,666	23,946	13·4	19,318	104·0	16,717
3	36,080	21,289	28,840	25,070	13·1	19,727	105·2	17,144
4	37,263	21,797	29,606	25,585	13·6	19,909	107·2	17,201
1979 *1*	38,622	22,720	30,654	26,376	14·0	20,167	108·6	17,338
2	40,631	23,642	32,150	28,394	11·7	20,471	110·2	18,064
3	42,587	24,881	33,980	29,078	14·4	20,360	109·6	17,408
4	45,028	26,014	36,552	30,224	17·3	21,291	114·6	17,590
1980 *1*	46,278	27,010	37,078	31,814	14·2	20,981	113·0	18,002
2								

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1975=100).

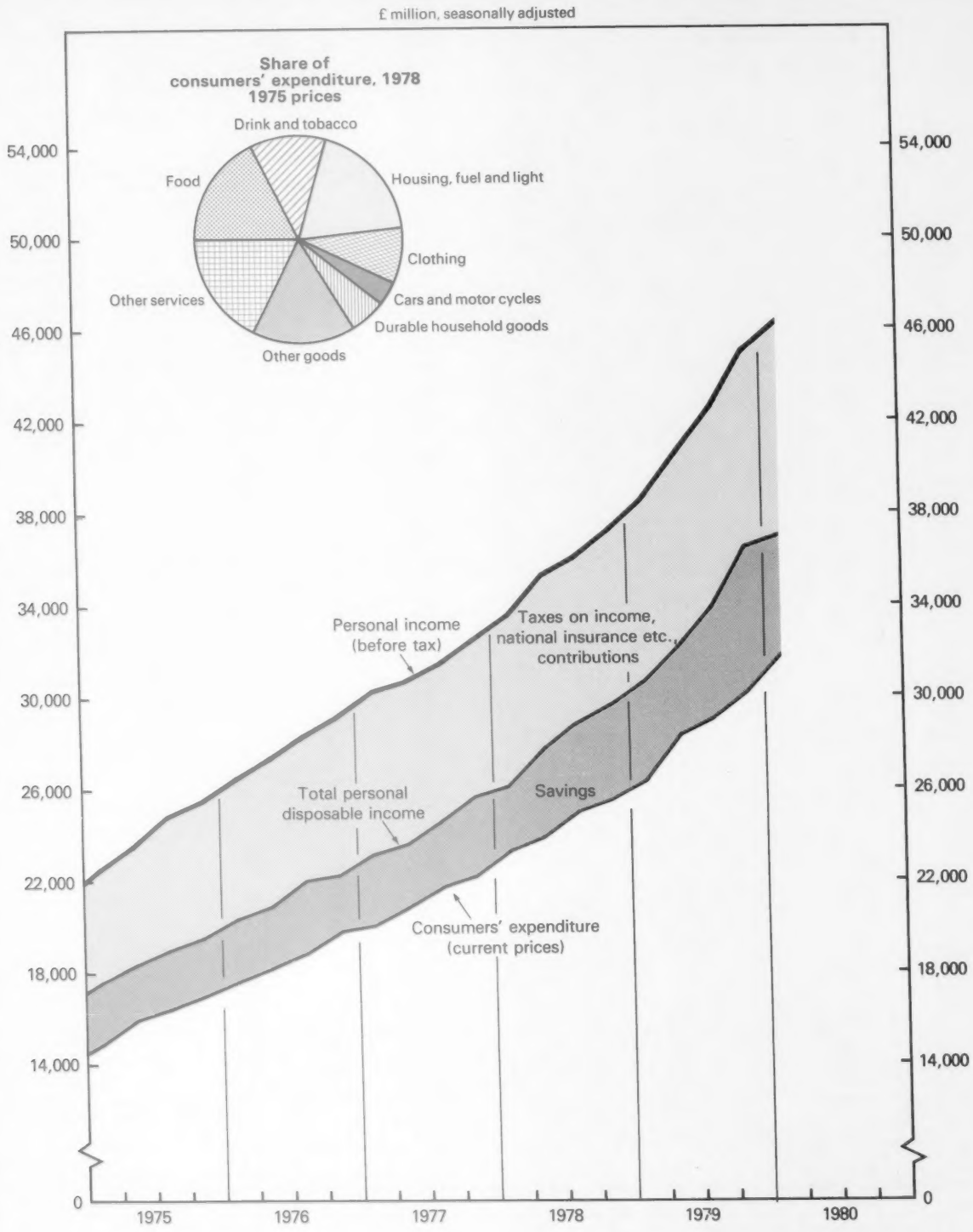
Real consumers' expenditure — component categories

Seasonally adjusted

£ million, 1975 prices

	Total[1] §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1971	59,584	12,117	6,520	8,714	2,752	4,715	2,429	2,345	9,032	11,222
1972	63,134	12,025	6,961	8,917	2,854	4,964	2,986	2,811	9,869	11,877
1973	66,155	12,210	7,694	9,181	2,930	5,183	3,396	2,668	10,658	12,235
1974	64,664	12,099	7,777	9,081	2,984	5,109	3,236	1,820	10,735	11,823
1975	64,250	12,072	7,604	9,286	2,914	5,173	3,198	1,810	10,520	11,673
1976	64,481	12,189	7,664	9,256	2,887	5,197	3,379	2,012	10,623	11,274
1977	63,866	12,049	7,460	9,400	2,962	5,102	3,151	1,854	10,623	11,265
1978	67,711	12,312	8,070	9,611	3,014	5,692	3,430	2,465	11,144	11,973
1979	70,400	12,526	8,327	10,037	3,179	6,004	3,610	2,650	11,384	12,683
1977 *1*	15,829	2,954	1,823	2,330	731	1,282	785	463	2,658	2,803
2	15,773	3,055	1,846	2,303	763	1,245	768	433	2,581	2,779
3	16,047	2,963	1,883	2,379	749	1,285	792	484	2,679	2,833
4	16,217	3,077	1,908	2,388	719	1,290	806	474	2,705	2,850
1978 *1*	16,649	3,045	2,010	2,386	745	1,368	834	582	2,722	2,957
2	16,717	3,052	1,990	2,355	759	1,393	851	596	2,753	2,968
3	17,144	3,130	2,025	2,424	771	1,461	875	644	2,831	2,983
4	17,201	3,085	2,045	2,446	739	1,470	870	643	2,838	3,065
1979 *1*	17,338	3,044	2,109	2,477	855	1,450	883	615	2,822	3,083
2	18,064	3,156	2,153	2,476	793	1,545	1,017	838	2,896	3,190
3	17,408	3,212	1,997	2,532	779	1,467	839	563	2,820	3,199
4	17,590	3,114	2,068	2,552	752	1,542	871	634	2,846	3,211
1980 *1*	18,002	3,090	2,300	2,571	783	1,545	934	654	2,866	3,259
2										

[1] For the years prior to 1973 the total differs from the sum of components due to the method of rebasing to 1975 prices.


£ million, seasonally adjusted
Share of consumers' expenditure, 1978 1975 prices
Drink and tobacco
Housing, fuel and light
Clothing
Cars and motor cycles
Durable household goods
Other goods
Other services
Food
54,000
50,000
46,000
42,000
38,000
34,000
30,000
26,000
22,000
18,000
14,000
0
Personal income (before tax)
Taxes on income, national insurance etc., contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
1975
1976
1977
1978
1979
1980

Retail sales, new registrations of cars and hire purchase debt (Great Britain)

	Seasonally adjusted									
	Weekly average 1976 = 100							Thousands[1]	£ million	
	Value of retail sales[2,3]	Volume of retail sales[2, 3]							Hire purchase and other credit[4]	
	Total[5]	Total[5]	Food retailers[5]	Mixed retail businesses[5]	Clothing and footwear retailers	Household goods retailers	Other non-food retailers	New registrations of cars[5]	New credit extended	Implied change in debt outstanding
Sales in 1976 £ million	33,616	33,616	11,369	9,045	3,384	4,745	5,093			
1969	..	..	..	..	..	..	..	82·3	1,584	− 11
1970	..	..	..	..	..	..	..	91·4	1,767	+ 92
1971	49·7	94·0	116·4	73·3	101	79	90	108·5	2,036	+251
1972	55·7	98·7	115·6	81·5	105	89	96	138·6	2,466	+438
1973	63·2	103·1	112·0	90·2	106	101	105	137·1	2,846	+444
1974	73·2	101·9	110·0	91·6	103	99	104	102·8	2,508	−164
1975	87·1	100·1	104·2	95·7	101	97	101	97·2	2,981	− 13
1976	100·0	100·0	100·0	100·0	100	100	100	104·7	3,586	+343
1977	113·2	97·5	97·1	100·8	98	94	95	107·1	4,392	+625
1978	127·5	101·0	98·4	108·3	103	101	93	130·1	6,021	+1,206
1979	144·0	102·1	98·3	114·0	106	102	87	139·7	7,281	+1,224
1976 *1*	94·8	99·5	101·1	98·9	99	97	100	100·7	833	+ 37
2	98·2	100·3	100·7	100·3	101	100	101	107·1	872	+ 79
3	101·1	100·3	100·1	100·3	100	101	100	95·5	913	+100
4	105·9	99·8	98·0	100·4	100	102	100	115·3	968	+127
1977 *1*	108·3	97·3	96·8	99·1	98	95	97	100·5	1,007	+144
2	110·3	96·1	96·7	98·5	94	93	94	99·0	1,100	+203
3	115·5	97·9	97·0	102·5	98	94	95	115·3	1,219	+262
4	118·9	98·6	97·8	102·8	101	95	95	113·6	1,292	+254
1978 *1*	121·6	99·7	98·9	105·0	101	98	93	126·9	1,372	+355
2	125·4	100·3	98·3	106·6	100	100	93	126·2	1,506	+375
3	130·4	102·3	98·1	110·9	105	104	93	139·3	1,559	+266
4	132·5	101·8	98·2	110·6	105	102	92	128·1	1,584	+210
1979 *1*	134·2	100·8	98·7	110·0	104	100	88	131·7	1,581	+220
2	145·0	106·4	99·9	118·8	109	113	91	171·8	1,867	+405
3	144·7	99·7	96·7	111·7	102	98	85	114·8	1,879	+324
4	151·9	101·7	97·9	115·5	108	99	84	140·3	1,954	+275
1980 *1*	157·8	103·2	99·6	117·6	109	98	86	138·8	1,974†	+330†
2	161·3	101·5	99·7	114·4	105	96	85	112·6	1,972	+171
1979 *J*	131·4	99·5	101·5	107·2	98	96	86	127·5	523	+ 69
F	134·3	101·1	96·5	110·4	106	103	90	121·4	531	+ 92
M	136·4	101·8	98·3	112·0	108	102	87	146·1	527	+ 59
A	142·8	106·2	100·1	121·3	112	103	92	151·8	566	+ 74
M	139·8	102·8	98·8	113·8	103	106	89	160·7	621	+132
J	151·0	109·4	100·6	120·9	111	125	93	202·9	680	+199
J	141·5	98·6	96·9	110·7	98	96	84	96·0	629	+113
A	146·7	100·9	96·1	114·2	108	98	86	124·4	634	+102
S	145·7	99·5	96·9	110·5	102	99	85	124·1	616	+109
O	149·2	100·9	97·6	113·8	106	98	84	138·0	663	+ 97
N	153·1	102·5	97·8	115·7	112	101	85	145·8	698	+144
D	153·0	101·6	98·3	116·6	106	98	83	137·2	593	+ 34
1980 *J*	155·5	103·1	97·7	119·0	111	99	85	127·1	668	+ 74†
F	158·5	103·9	100·2	117·6	110	100	87	131·6	865	+158
M	159·4	102·6	100·9	116·3	107	96	85	157·7	641†	+ 98
A	161·0	102·3	99·7	116·3	110	96	84	105·1	675	+ 59
M	160·2	100·6	100·2	112·9	105	93	84	109·7	621	+ 39
J	162·4	101·6	99·4	114·1	102	100	86	123·0	676	+ 73

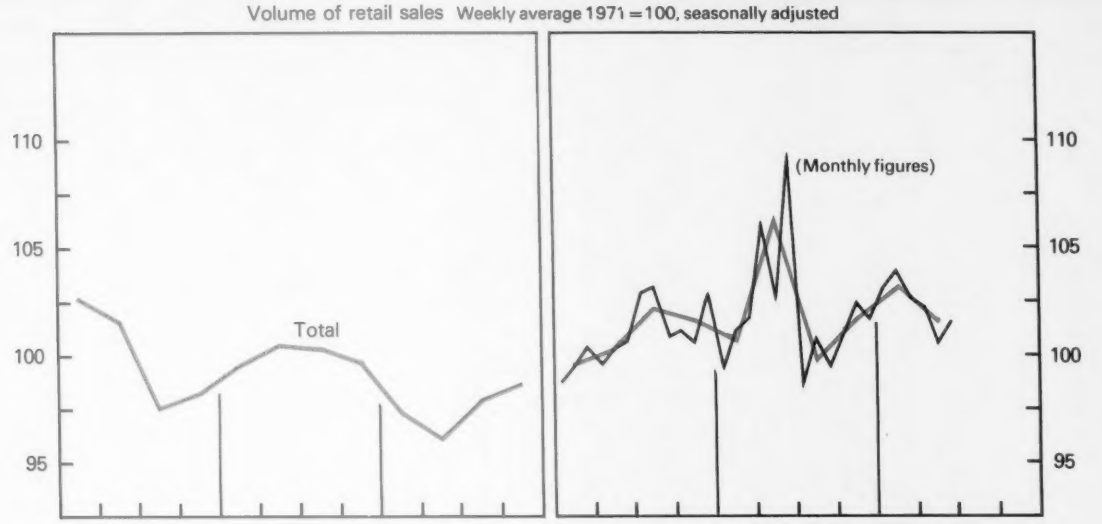
[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1980 is exceptionally a five-week period.

[3] These series have been rebased on the 1976 retailing inquiry. Further details are given on page 336 of *British business*, 29 February 1980 and page 437 of the 14 March 1980 issue.

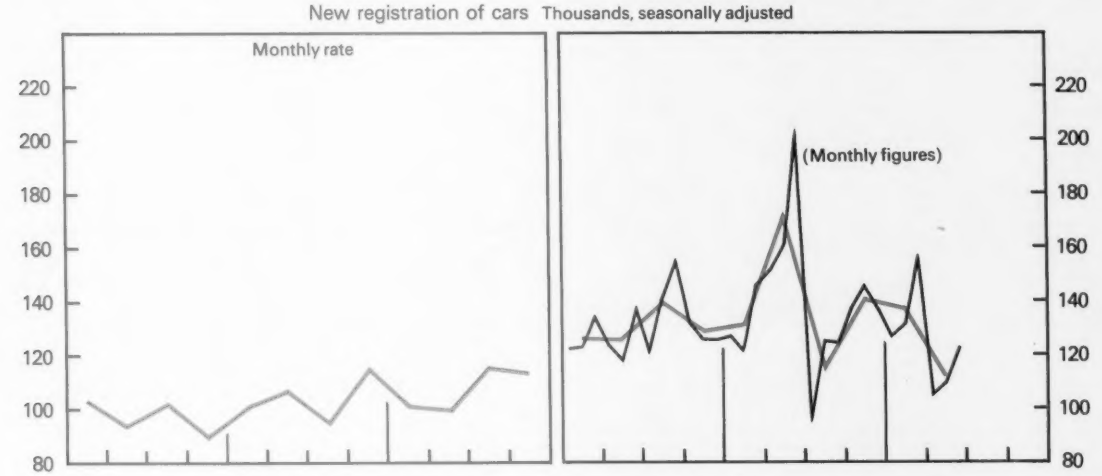
[4] Credit extended by and repaid to finance houses, other specialist consumer credit grantors and retailers, i.e. durable goods shops, department stores (including co-operative societies), other general stores and general mail order houses. There is a break in the series between the first and second quarters of 1977 due to a change in coverage. Up to the first quarter of 1977 the series excludes 'other consumer credit grantors' but includes charges for credit. From the second quarter of 1977 charges for credit are excluded but 'other specialist consumer credit grantors' are included. For further details see *Trade and Industry*, 12 April 1979. The retail sales statistics are now rebased on the results of the 1976 Retailing Inquiry. Owing to the volume of work involved in rebasing the retail sales and credit series, the retailers' credit statistics will have to continue to be based on the results of the 1971 Census of Distribution for some further months. Until the credit statistics have been rebased on the results of the 1976 Retailing Inquiry, direct comparisons between the published retail sales and retailers' credit statistics should not be made.

[5] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

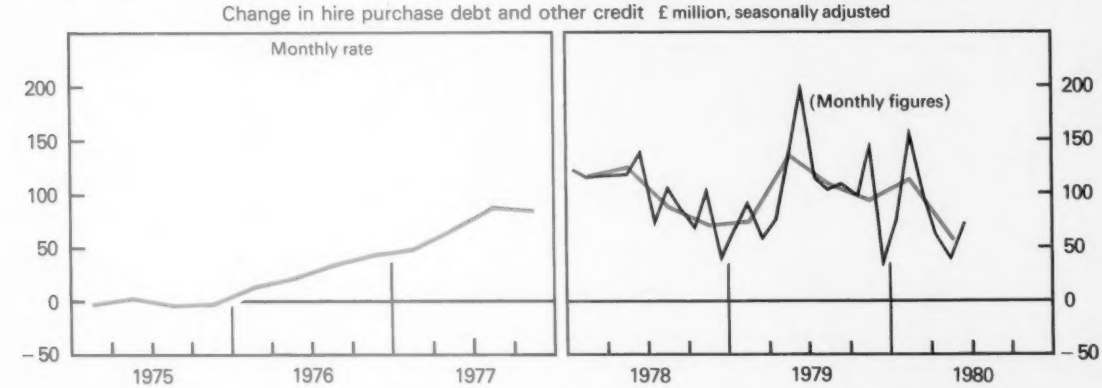
Volume of retail sales Weekly average 1971 = 100, seasonally adjusted



New registration of cars Thousands, seasonally adjusted



Change in hire purchase debt and other credit £ million, seasonally adjusted



Shares of income and expenditure

Seasonally adjusted

	£ million	Per cent						£ million	Per cent		
		Percentage share of total final expenditure							Percentage share of total domestic income		
	Total final expenditure (current market prices)	Consumers' expenditure	General government consumption	Gross fixed investment: General government	Gross fixed investment: Public corporations	Gross fixed investment: Private sector	Exports	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1, 2]
1970	62,144	51·1	14·4	3·9	2·7	8·6	18·6	44,937	67·6	13·4	18·9
1971	69,409	51·2	14·7	3·7	2·7	8·8	18·7	50,041	66·9	13·8	19·3
1972	77,067	52·0	15·1	3·5	2·3	9·2	17·7	56,783	66·3	14·0	19·7
1973	91,820	49·7	14·5	4·0	2·3	9·2	18·6	67,274	64·5	14·9	20·6
1974	110,021	47·6	15·0	4·0	2·6	8·8	20·9	79,848	66·0	13·4	20·6
1975	133,378	48·2	17·3	3·7	3·0	8·7	20·2	98,722	69·1	11·3	19·6
1976	160,701	46·4	16·6	3·4	2·9	8·4	21·9	115,812	67·4	12·3	20·3
1977	184,968	45·9	15·8	2·6	2·6	8·9	23·4	129,789	66·2	13·2	20·5
1978	208,611	46·6	15·7	2·2	2·4	9·5	22·7	146,604	66·4	13·0	20·5
1979	242,523	47·0	15·7	2·1	2·3	9·2	22·3	171,572	66·1	14·1	19·7
1977 *1*	43,994	45·7	15·8	2·9	2·6	8·3	23·2	31,825	65·6	14·0	20·4
2	45,746	45·5	15·9	2·6	2·6	8·8	23·4	32,093	66·1	13·5	20·4
3	47,224	46·1	15·8	2·5	2·6	8·9	24·1	32,763	66·1	13·0	20·9
4	48,004	46·4	15·6	2·4	2·5	9·4	23·0	33,108	67·2	12·4	20·4
1978 *1*	49,850	46·8	15·8	2·3	2·3	9·6	22·8	34,436	66·9	12·4	20·7
2	51,182	46·8	15·7	2·2	2·5	9·6	22·8	36,435	66·2	13·4	20·4
3	53,303	47·0	15·6	2·2	2·3	9·4	22·7	37,396	66·3	13·1	20·6
4	54,276	47·1	15·8	2·0	2·4	9·5	22·6	38,337	66·3	13·3	20·4
1979 *1*	55,324	47·7	15·7	2·1	2·4	9·2	20·8	39,630	66·6	12·9	20·5
2	60,362	47·0	15·3	2·0	2·2	9·1	23·1	42,427	65·2	15·2	19·6
3	62,239	46·7	16·0	2·2	2·3	9·0	22·7	43,934	66·2	14·3	19·5
4	64,598	46·8	15·7	2·1	2·2	9·6	22·8	45,581	66·6	14·1	19·3
1980 *1*	66,970	47·5	16·1	2·0	2·3	9·1	23·3	47,710	65·9	14·8	19·3
2											

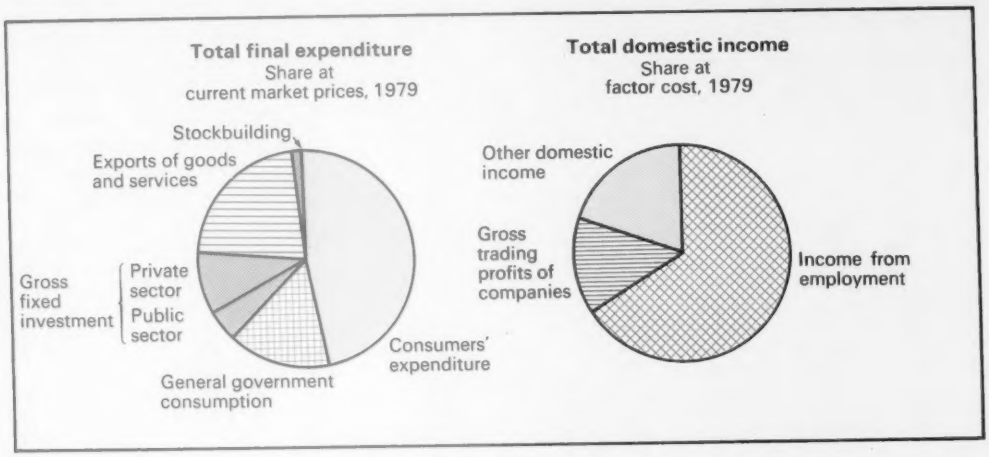
[1] Before providing for stock appreciation.
[2] Gross trading surplus of public corporations and general government enterprises, income from rent and self-employment, and imputed charge for consumption of non-trading capital.

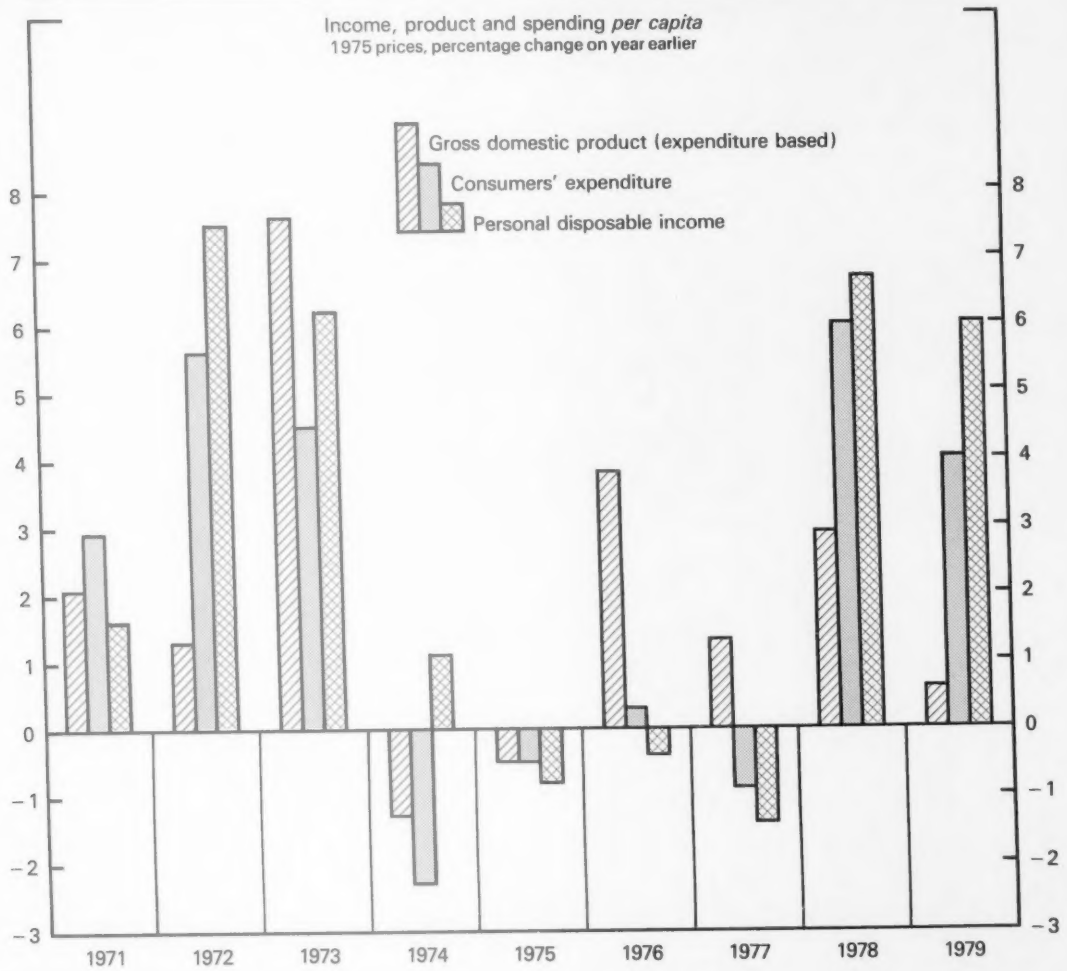
Income, product and spending *per capita*

Seasonally adjusted

	£, current prices				£, 1975 prices		
	Gross national product[1]	Gross domestic product[1, 2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1, 2]	Consumers' expenditure	Personal disposable income
1971	895	886	638	691	1,569	1,070	1,159
1972	997	988	718	791	1,589	1,130	1,246
1973	1,168	1,145	815	913	1,710	1,181	1,323
1974	1,350	1,324	934	1,082	1,687	1,154	1,338
1975	1,692	1,678	1,148	1,327	1,678	1,148	1,327
1976	2,002	1,979	1,332	1,527	1,741	1,152	1,321
1977	2,247	2,244	1,519	1,732	1,763	1,142	1,302
1978	2,581	2,566	1,751	2,008	1,814	1,211	1,389
1979	2,903	2,900	2,041	2,385	1,824	1,259	1,472
1977 *1*	534	532	360	414	434	283	326
2	548	548	372	421	438	282	319
3	574	573	389	438	441	287	323
4	591	591	398	459	450	290	334
1978 *1*	614	611	417	467	448	298	334
2	634	629	428	495	452	299	346
3	660	656	448	516	455	307	353
4	673	670	458	530	459	307	356
1979 *1*	673	669	472	548	448	310	361
2	726	727	508	575	465	323	366
3	744	741	520	608	457	311	364
4	760	763	541	654	454	315	381
1980 *1*	781	781	569	663	451	322	375
2							

[1] At factor cost. [2] Based on expenditure data.


Total final expenditure
Share at
current market prices, 1979
Stockbuilding
Exports of goods and services
Gross fixed investment
Private sector
Public sector
Consumers' expenditure
General government consumption
Total domestic income
Share at
factor cost, 1979
Other domestic income
Gross trading profits of companies
Income from employment


Income, product and spending *per capita*
1975 prices, percentage change on year earlier
Gross domestic product (expenditure based)
Consumers' expenditure
Personal disposable income
8
7
6
5
4
3
2
1
0
−1
−2
−3
1971
1972
1973
1974
1975
1976
1977
1978
1979

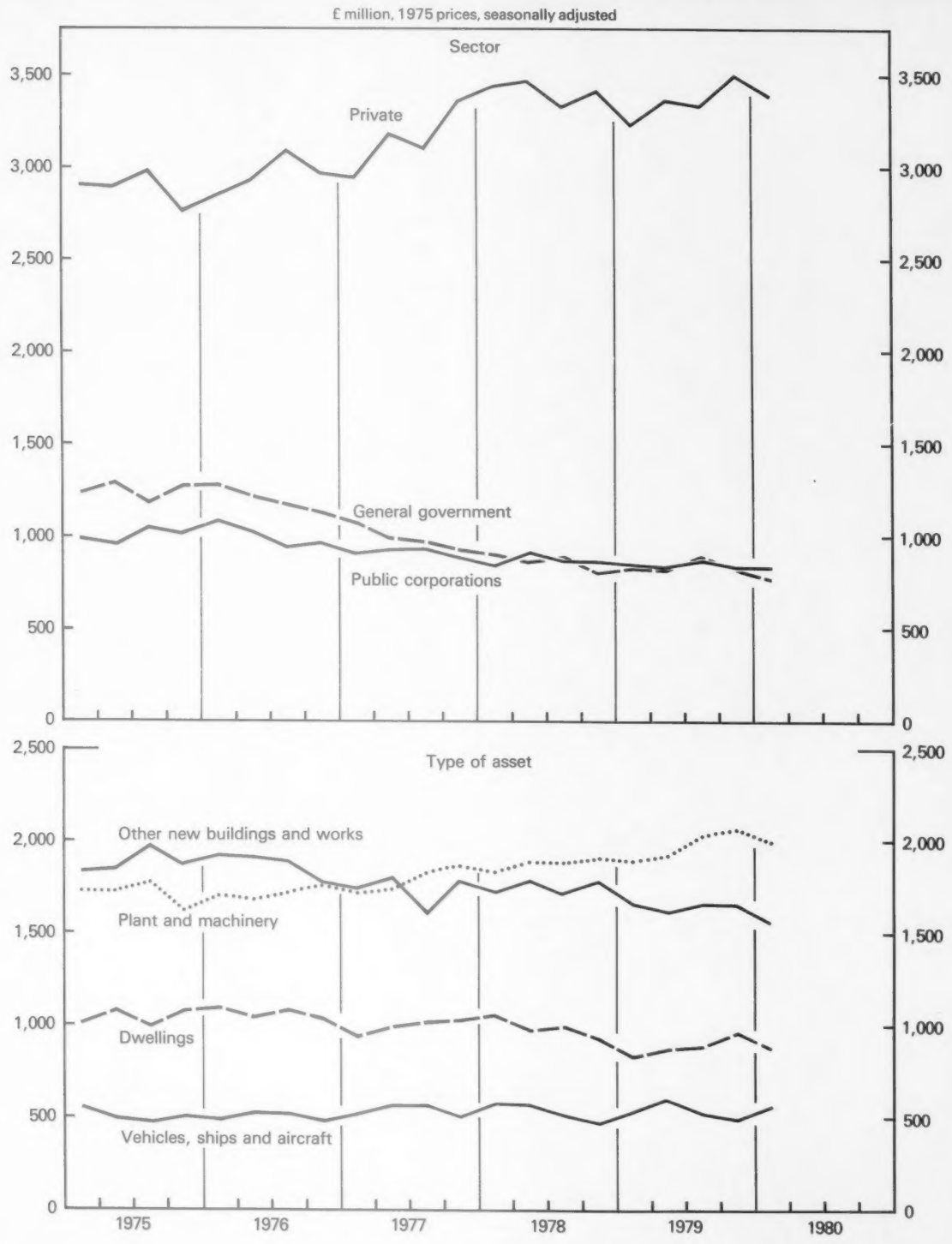
Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1975 prices[1]

	Total§	Sector[2]			Type of asset					
					Dwellings					
		Private sector	General government	Public corporations	Total	of which: Private	of which: Public	Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery
1969	18,924	10,428	5,352	3,156	4,187	2,187	2,087	7,339	1,692	6,074
1970	19,425	10,704	5,444	3,281	3,850	2,047	1,879	7,661	1,816	6,384
1971	19,735	11,150	5,265	3,299	4,091	2,440	1,733	7,795	1,879	6,282
1972	19,767	11,782	5,045	2,904	4,309	2,745	1,609	7,687	2,145	6,023
1973	21,111	12,226	5,757	3,128	4,152	2,449	1,703	7,793	2,412	6,754
1974	20,636	11,715	5,365	3,556	3,826	2,004	1,822	7,424	2,326	7,060
1975	20,545	11,545	4,974	4,026	4,146	2,182	1,964	7,513	2,023	6,863
1976	20,637	11,834	4,795	4,008	4,263	2,180	2,083	7,488	2,017	6,869
1977	20,213	12,593	3,969	3,651	3,964	2,033	1,931	6,944	2,149	7,156
1978	20,594	13,636	3,472	3,486	3,956	2,313	1,643	7,009	2,117	7,512
1979	20,199	13,430	3,389	3,380	3,551	1,994	1,557	6,583	2,151	7,914
1974 *1*	5,333	3,034	1,524	775	1,020	564	456	1,998	558	1,757
2	5,086	3,007	1,170	909	890	487	403	1,849	583	1,764
3	5,042	2,797	1,401	844	941	440	501	1,812	577	1,712
4	5,175	2,877	1,270	1,028	975	513	462	1,765	608	1,827
1975 *1*	5,126	2,902	1,231	993	1,005	534	471	1,826	553	1,742
2	5,152	2,891	1,296	965	1,074	565	509	1,843	494	1,741
3	5,213	2,985	1,176	1,052	994	545	449	1,975	471	1,773
4	5,054	2,767	1,271	1,016	1,073	538	535	1,869	505	1,607
1976 *1*	5,210	2,852	1,277	1,081	1,099	560	539	1,915	490	1,706
2	5,160	2,924	1,215	1,021	1,046	532	514	1,909	521	1,684
3	5,207	3,090	1,172	945	1,079	566	513	1,893	516	1,719
4	5,060	2,968	1,131	961	1,039	522	517	1,771	490	1,760
1977 *1*	4,928	2,948	1,072	908	939	430	509	1,747	519	1,723
2	5,093	3,185	990	918	982	507	475	1,803	561	1,747
3	5,015	3,105	972	938	1,017	539	478	1,609	561	1,828
4	5,177	3,355	935	887	1,026	557	469	1,785	508	1,858
1978 *1*	5,180	3,432	905	843	1,055	615	440	1,721	569	1,835
2	5,229	3,459	860	910	976	588	388	1,795	568	1,890
3	5,090	3,324	898	868	991	550	441	1,708	509	1,882
4	5,095	3,421	809	865	934	560	374	1,785	471	1,905
1979 *1*	4,921	3,236	837	848	838	453	385	1,658	534	1,891
2	5,018	3,358	825	835	871	497	374	1,617	600	1,930
3	5,100	3,336	898	866	888	482	406	1,654	526	2,032
4	5,160	3,500	829	831	954	562	392	1,654	491	2,061
1980 *1*	4,988	3,387	765	836	878	459	419	1,557	558	1,995
2										
	Percentage change, quarter on corresponding quarter of previous year									
1976 *1*	*+ 1·6*	*− 1·7*	*+ 3·7*	*+ 8·9*	*+ 9·4*	*+ 4·9*	*+14·4*	*+ 4·9*	*−11·4*	*− 2·1*
2	*+ 0·2*	*+ 1·1*	*− 6·3*	*+ 5·8*	*− 2·6*	*− 5·8*	*+ 1·0*	*+ 3·6*	*+ 5·5*	*− 3·3*
3	*− 0·1*	*+ 3·5*	*− 0·3*	*−10·2*	*+ 8·6*	*+ 3·9*	*+14·3*	*− 4·2*	*+ 9·6*	*− 3·0*
4	*+ 0·1*	*+ 7·3*	*−11·0*	*− 5·4*	*− 3·2*	*− 3·0*	*− 3·4*	*− 5·2*	*− 3·0*	*+ 9·5*
1977 *1*	*− 5·4*	*+ 3·4*	*−16·1*	*−16·0*	*−14·6*	*−23·2*	*− 5·6*	*− 8·8*	*+ 5·9*	*+ 1·0*
2	*− 1·3*	*+ 8·9*	*−18·5*	*−10·1*	*− 6·1*	*− 4·7*	*− 7·6*	*− 5·6*	*+ 7·7*	*+ 3·7*
3	*− 3·7*	*+ 0·5*	*−17·1*	*− 0·7*	*− 5·7*	*− 4·8*	*− 6·8*	*−15·0*	*+ 8·7*	*+ 6·3*
4	*+ 2·3*	*+13·0*	*−17·3*	*− 7·7*	*− 1·3*	*+ 6·7*	*− 9·3*	*+ 0·8*	*+ 3·7*	*+ 5·6*
1978 *1*	*+ 5·1*	*+16·4*	*−15·6*	*− 7·2*	*+12·4*	*+43·0*	*−13·6*	*− 1·5*	*+ 9·6*	*+ 6·5*
2	*+ 2·7*	*+ 8·6*	*−13·1*	*− 0·9*	*− 0·6*	*+16·0*	*−18·3*	*− 0·4*	*+ 1·2*	*+ 8·2*
3	*+ 1·5*	*+ 7·1*	*− 7·6*	*− 7·5*	*− 2·6*	*+ 2·0*	*− 7·7*	*+ 6·2*	*− 9·3*	*+ 3·0*
4	*− 1·6*	*+ 2·0*	*−13·5*	*− 2·5*	*− 9·0*	*+ 0·5*	*−20·3*	*—*	*− 7·3*	*+ 2·5*
1979 *1*	*− 5·0*	*− 5·7*	*− 7·5*	*+ 0·6*	*−20·6*	*−26·3*	*−12·5*	*− 3·7*	*− 6·2*	*+ 3·1*
2	*− 4·0*	*− 2·9*	*− 4·1*	*− 8·2*	*−10·8*	*−15·5*	*− 3·6*	*− 9·9*	*+ 5·6*	*+ 2·1*
3	*+ 0·2*	*+ 0·4*	*+ —*	*− 0·2*	*−10·4*	*−12·4*	*− 7·9*	*− 3·2*	*+ 3·3*	*+ 8·0*
4	*+ 1·3*	*+ 2·3*	*+ 2·5*	*− 3·9*	*+ 2·1*	*+ 0·4*	*+ 4·8*	*− 7·3*	*+ 4·2*	*+ 8·2*
1980 *1*	*+ 1·4*	*+ 4·7*	*− 8·6*	*− 1·4*	*+ 4·8*	*+ 1·3*	*+ 8·8*	*− 6·1*	*+ 4·5*	*+ 5·5*
2										

[1] For the years prior to 1973, totals may not equal the sum of their components, due to the method used in rebasing to 1975 prices.
[2] Including purchases *less* sales of land and existing buildings. [3] Including transfer costs of land and buildings.


£ million, 1975 prices, seasonally adjusted
Sector
Private
General government
Public corporations
3,500
3,000
2,500
2,000
1,500
1,000
500
0
Type of asset
Other new buildings and works
Plant and machinery
Dwellings
Vehicles, ships and aircraft
2,500
2,000
1,500
1,000
500
0
1975
1976
1977
1978
1979
1980

Indicators of fixed investment by manufacturing industry

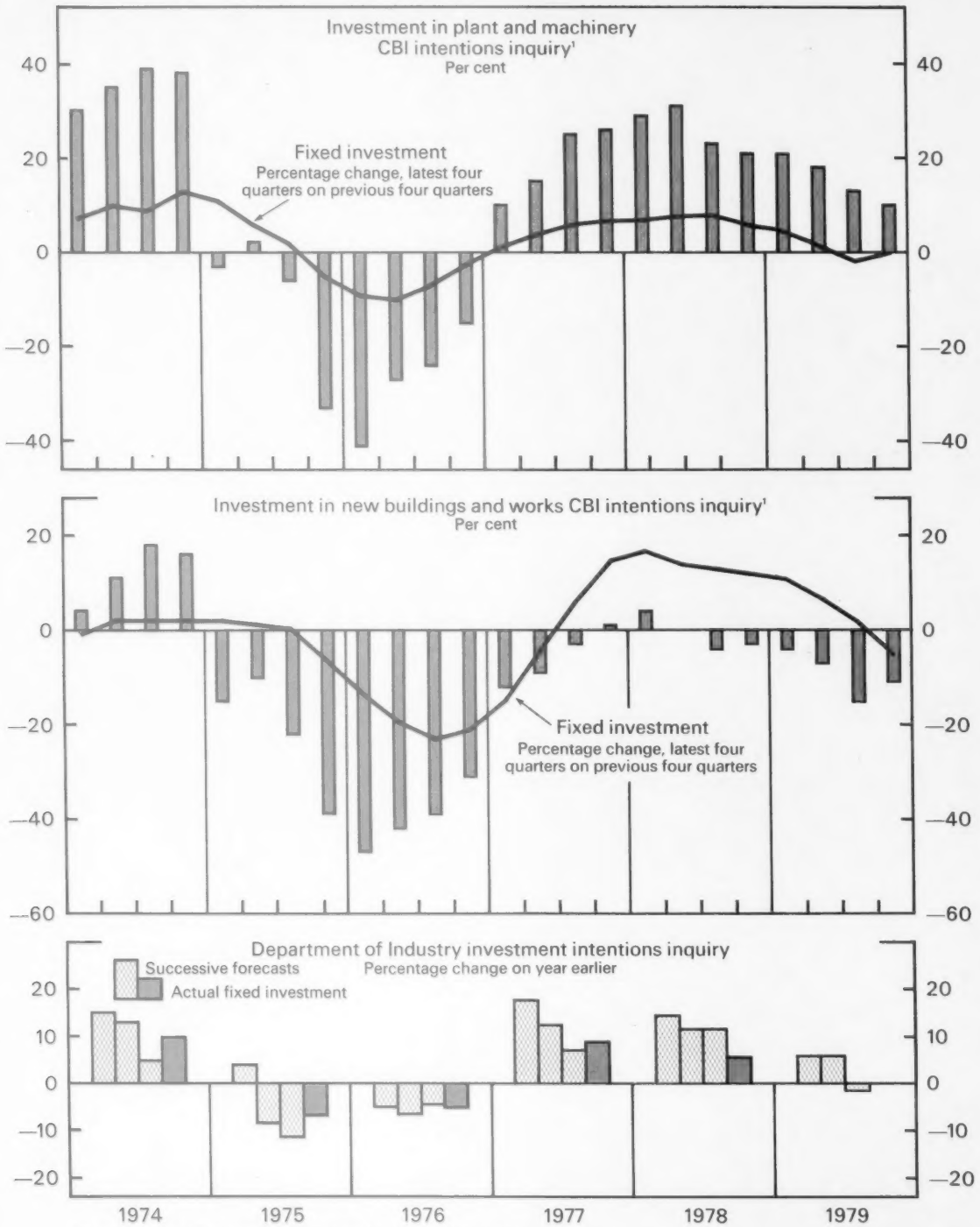
	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work (GB)
	Total §	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1975 prices, seasonally adjusted	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1975 prices, seasonally adjusted
1969	3,877·0	2,679·5	+ *4*	..	973·6	+*16*	..	1,507
1970	4,177·0	2,974·2	+*11*	..	980·8	+ *1*	..	1,410
1971	3,897·7	2,795·3	− *6*	..	880·4	−*10*	..	1,012
1972	3,370·4	2,420·4	−*13*	..	710·6	−*19*	..	1,003
1973	3,439·8	2,505·3	+ *4*	..	674·4	− *5*	..	1,287
1974	3,781·8	2,821·3	+*13*	..	686·9	+ *2*	..	1,076
1975	3,521·9	2,682·1	− *5*	..	639·9	− *7*	..	684
1976	3,341·3	2,598·0	− *3*	..	503·8	−*21*	..	797
1977	3,637·0	2,771·2	+ *7*	..	581·8	+*15*	..	955
1978	3,852·6	2,936·3	+ *6*	..	651·5	+*12*	..	1,003
1979	3,858·0	2,957·4	+ *1*	..	614·0	− *6*	..	1,004†
1975 *1*	946·0	715·2	+ *3*	−41	176·6	+ *3*	−47	209
2	902·3	687·7	− *2*	−27	167·2	− *1*	−42	164
3	846·8	643·5	− *8*	−24	155·7	− *8*	−39	183
4	826·8	635·7	−*12*	−15	140·4	−*20*	−31	128
1976 *1*	819·2	631·4	−*12*	10	134·0	−*24*	−12	181
2	827·6	644·4	− *6*	15	122·9	−*26*	− 9	190
3	844·4	658·1	+ *2*	25	124·6	−*20*	− 3	192
4	850·1	664·1	+ *4*	26	122·3	−*13*	1	234
1977 *1*	876·4	667·1	+ *6*	29	139·9	+ *4*	4	215
2	898·3	680·2	+ *6*	31	144·2	+*17*	—	256
3	918·8	702·7	+ *7*	23	147·6	+*18*	− 4	244
4	943·5	721·2	+ *9*	21	150·1	+*23*	− 3	240
1978 *1*	945·7	723·3	+ *8*	21	152·2	+ *9*	− 4	271
2	969·8	745·5	+*10*	18	155·8	+ *8*	− 7	258
3	965·7	728·5	+ *4*	13	169·0	+*14*	−15	260
4	971·4	739·0	+ *2*	10	174·5	+*16*	−11	215
1979 *1*	973·8	748·5	+ *3*	12	160·7	+ *6*	− 7	233
2	948·4	729·0	− *2*	12	145·9	− *6*	− 6	263
3	978·0	750·8	+ *3*	8	156·3	− *7*	− 9	243
4	957·8	729·1	− *1*	− 9	151·1	−*13*	−20	263
1980 *1*	924·6†	717·2†	− *4*†	−18	138·7†	−*14*†	−30	210
2				−18			−31	
3				−43			−47	
4								

[1] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·7
1972	little change, perhaps a rise	about −3	−7	−13·5
1973	+2 to +5	+2 to +5	+6	+ 2·1
1974	strong increase about +15	some +12 to +14	about +5	+ 9·9
1975	less than +5	−7 to −10	about −11 or −12	− 6·9
1976	of the order of −5	−5 to −8	−4 to −5	− 5·1
1977	between +15 and +20	+10 to +15	+7	+ 8·8
1978	between +12 and +17	+10 to +13	+10 to +13	+ 5·9
1979	+4 to +8	+4 to +8	no change to −3	
1980	fall up to −7	−6 to −10		

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition, the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these inquiries are not included in the table.) An article, 'Investment intentions survey: a 10 year review', was published in *Trade and Industry* for 27 October 1978. In this article the table is expanded to include all the inquiries for manufacturing industry, and a similar table is included for the inquiries into the distributive and service industries.

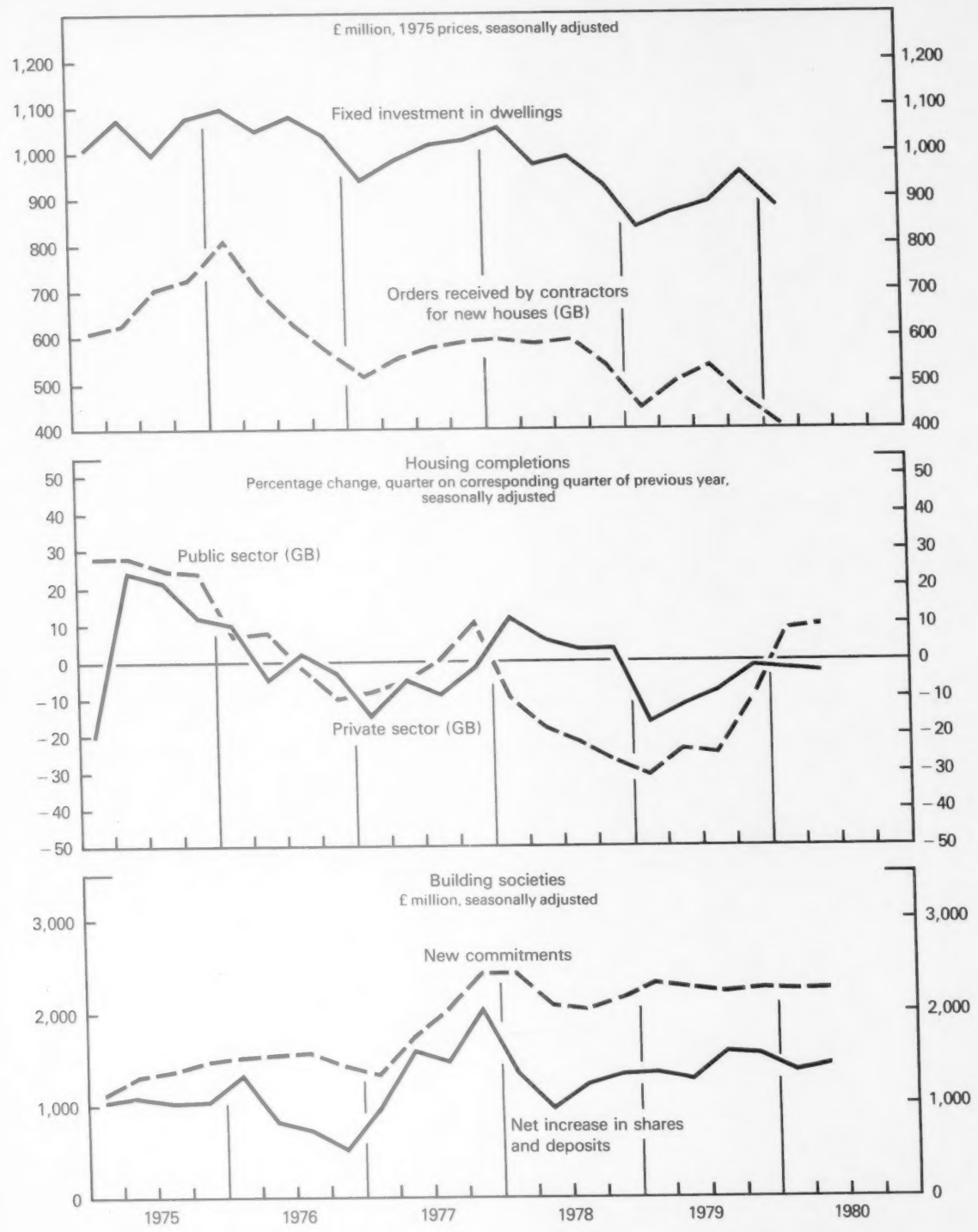


[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment.

Indicators of fixed investment in dwellings

		Seasonally adjusted								Unadjusted
		£ million, 1975 prices		Thousands				£ million		1975 =100
		Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		Average price of new dwellings: mortgages approved[1]
				Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	
1969		4,187	3,064	166·8	176·6	181·7	185·1	1,580	895	39·3
1970		3,850	3,093	165·1	153·8	170·3	180·1	2,188	1,490	41·8
1971		4,091	3,147	207·4	136·9	191·6	158·9	3,013	2,034	48·1
1972		4,309	3,507	228·0	123·0	196·5	122·8	3,802	2,193	63·3
1973		4,152	3,320	215·7	112·8	186·6	107·5	3,254	2,162	86·2
1974		3,826	2,224	105·9	146·1	140·9	128·6	3,115	1,993	91·4
1975		4,146	2,663	149·1	173·8	150·8	162·3	5,302	4,172	100·0[2]
1976		4,263	2,712	154·7	170·8	152·2	163·0	6,089	3,405	108·4
1977		3,964	2,214	134·8	132·1	140·8†	162·5	7,524	6,099	119·0
1978		3,956	2,316	157·3	107·4	149·0	130·8†	8,710	4,822	142·6
1979		3,551	1,948	140·6	80·3	134·7	101·2	9,119†	5,769†	183·2
1975	*1*	1,005	610	33·1	41·4	35·8	37·8	1,119	1,054	95·3
	2	1,074	625	37·4	37·8	39·6	39·3	1,311	1,085	100·0
	3	994	702	38·0	43·9	37·6	42·5	1,373	1,012	102·1
	4	1,073	726	40·6	50·7	37·8	42·7	1,499	1,021	102·7
1976	*1*	1,099	813	42·0	49·8	39·4	40·6	1,537	1,341	104·3
	2	1,046	703	42·0	44·3	37·8	42·4	1,552	824	107·9
	3	1,079	627	39·3	44·3	38·3	41·5	1,581	727	110·3
	4	1,039	569	31·4	32·4	36·7	38·5	1,419	513	111·5
1977	*1*	939	514	29·9	30·3	33·8†	37·5	1,337	963	112·7
	2	982	558	34·7	32·7	36·0	40·3	1,743	1,599	116·6
	3	1,017	552	35·3	34·6	34·8	41·8	2,018	1,487	120·5
	4	1,026	590	34·9	34·5	36·2	42·9	2,426	2,050	124·5
1978	*1*	1,055	597	35·5	27·2	37·8	33·8	2,419	1,310	130·5
	2	976	584	39·6	30·0	38·1	33·2	2,091	969	138·0
	3	991	597	38·3	26·0	35·8	32·4	2,035	1,207	148·2
	4	934	538	43·9	24·2	37·3	31·4	2,165	1,336	157·6
1979	*1*	838	444	28·0	18·2	31·2	23·2	2,306†	1,359†	166·1
	2	871	502	35·4	20·9	33·9	25·2	2,292	1,278	178·2
	3	888	541	37·9	19·7	32·8	24·4	2,242	1,579	190·6
	4	954	461	39·3	21·5	36·8	28·4	2,279	1,553	201·8
1980	*1*	878	401†	27·6	16·5	30·7	25·3	2,241	1,353	211·1
	2			28·0	14·9	33·0	27·6	2,275	1,415	219·3
1978	*O*	..	189	14·5	8·7	12·2	10·3	709	429	154·7
	N	..	193	14·1	7·5	11·5	10·5	706	432	157·4
	D	..	156	15·3	8·0	13·6	10·6	750	475	161·2
1979	*J*	..	136	7·5	4·9	10·4	7·1	797†	526†	162·2
	F	..	159	10·9	6·4	11·0	8·0	765	373	167·0
	M	..	149	9·6	6·9	9·8	8·1	744	460	168·8
	A	..	156	10·8	7·1	10·8	8·4	756	386	173·9
	M	..	177	11·6	6·3	11·2	8·2	784	467	179·4
	J	..	170	13·0	7·5	11·9	8·6	752	425	181·5
	J	..	198	12·5	6·9	10·7	8·3	756	462	186·4
	A	..	176	11·3	6·7	10·1	7·8	760	535	192·7
	S	..	168	14·1	6·1	12·0	8·3	726	582	193·3
	O	..	162	13·0	5·4	11·1	9·0	817	675	199·1
	N	..	147	13·2	6·7	12·5	9·5	742	347	202·6
	D	..	152	13·1	9·4	13·2	9·9	720	531	204·4
1980	*J*	..	126	10·6	5·6	10·7	8·8	708	502	208·3
	F	..	143	9·2	5·6	9·9	8·1	748	361	209·1
	M	..	132†	7·8	5·3	10·1	8·4	785	490	215·0
	A	..	117[3]	9·0	4·7	10·8	8·2	778	340	217·7
	M	..	127[3]	10·3[1]†	5·7	11·1	9·0	740	469	221·2
	J	..		8·7	4·5	11·1	10·4	757	606	218·9
	J							803	673	

[1] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[2] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.
[3] Provisional.


£ million, 1975 prices, seasonally adjusted
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted
Public sector (GB)
Private sector (GB)
Building societies
£ million, seasonally adjusted
New commitments
Net increase in shares and deposits
1975
1976
1977
1978
1979
1980

Stock changes

Seasonally adjusted

£ million, 1975 prices

	All industries	Manufacturing[1]				Distribution			Other industries
		Total	Materials and fuels	Work in progress	Finished goods	Total	Retail	Wholesale	
Value of stocks and work in progress end-December 1978[2]	37,261	20,084	7,107	7,474	5,503	8,496	3,825	4,671	8,681
1975 *1*	−560	−258	−351	− 16	110	−207	−109	− 98	− 95
2	−394	−187	−136	− 40	− 12	−190	− 93	− 97	− 17
3	−346	−390	−295	− 62	− 33	− 2	51	− 53	46
4	−177	−285	−140	− 94	− 51	46	45	1	62
1976 *1*	− 83	− 46	−100	31	23	68	48	20	−105
2	−121	− 70	− 73	32	− 29	− 8	− 11	3	− 43
3	270	163	72	84	7	176	106	70	− 69
4	391	304	15	118	171	114	76	38	− 27
1977 *1*	494	251	92	136	23	212	109	103	31
2	423	199	− 11	20	190	252	16	236	− 28
3	15	4	− 19	− 23	46	− 83	− 43	− 40	94
4	261	55	− 45	82	18	79	− 34	113	127
1978 *1*	310	91	4	43	43	79	45	34	140
2	141	85	− 10	24	71	97	145	− 48	− 41
3	221	92	0	53	40	99	78	21	30
4	134	105	5	147	− 50	74	96	− 22	− 45
1979 *1*	849	51	− 30	2	78	136	61	75	662
2	441	149	105	90	− 46	215	64	151	77
3	365	160	28	− 33	165	23	96	− 73	182
4	231	−156	− 93	−192	129	206	181	25	181
1980 *1*	−210	−465	−194	−161	−110	−179	− 96	− 83	434
2									

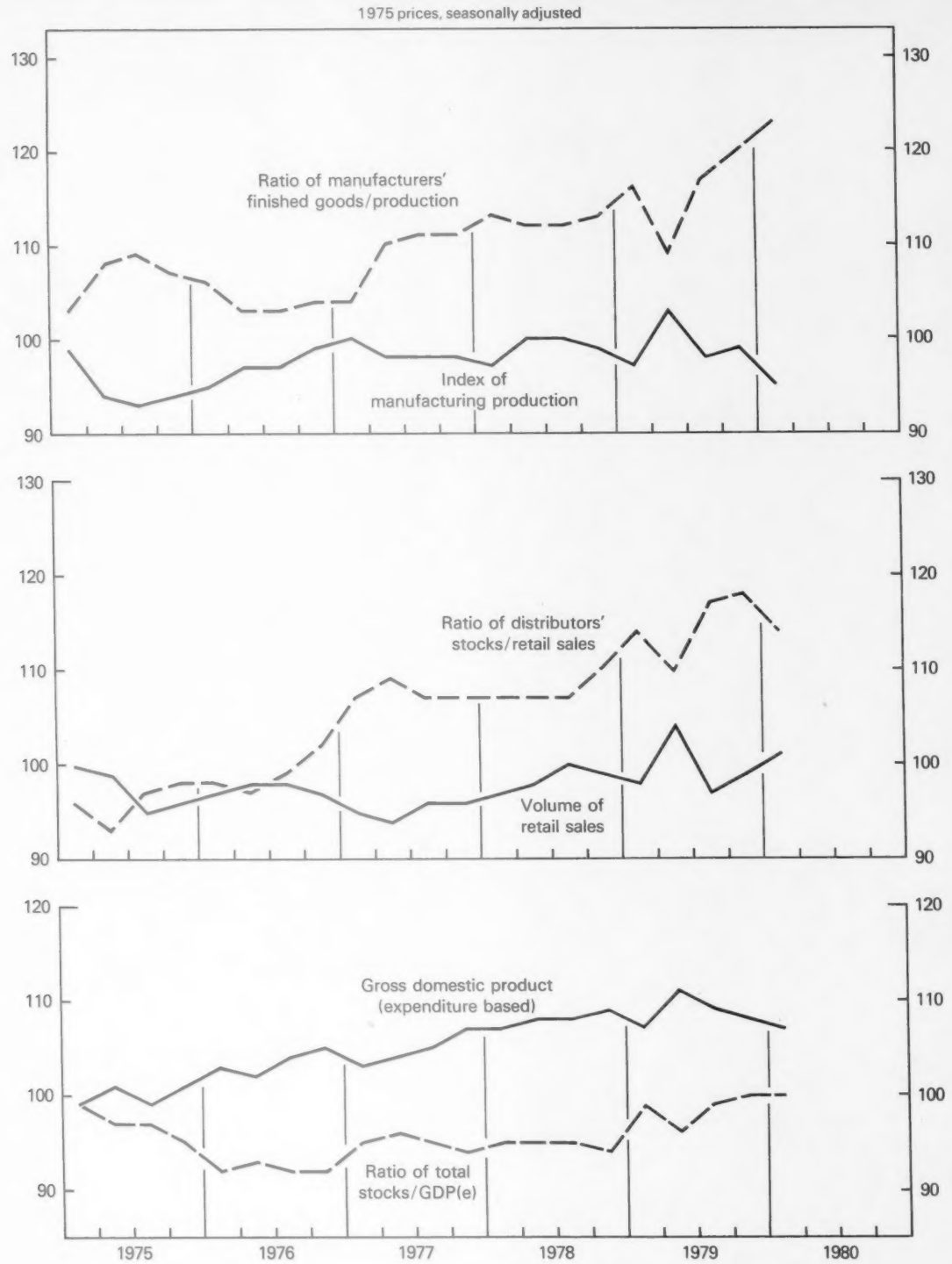
[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.
[2] Unadjusted 1975 price stock levels.

Stock ratios

Seasonally adjusted

1975 prices: stocks level, end-Dec. 1974=100; GDP (e), industrial production and retail sales, 4th quarter 1974=100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production				Distributors' stocks to retail sales
		Total stocks	Materials and fuel	Work in progress	Finished goods	
1975 *1*	99	100	97	101	103	96
2	97	104	100	105	108	93
3	97	103	97	106	109	97
4	95	100	94	103	107	98
1976 *1*	92	99	92	102	106	98
2	93	97	89	101	103	97
3	92	97	90	102	103	99
4	92	97	88	101	104	102
1977 *1*	95	97	89	103	104	107
2	96	100	90	105	110	109
3	95	100	90	105	111	107
4	94	101	89	106	111	107
1978 *1*	95	102	90	108	113	107
2	95	100	88	106	112	107
3	95	101	88	108	112	107
4	94	103	89	112	113	110
1979 *1*	99	104	90	113	116	114
2	96	100	87	109	109	110
3	99	105	90	113	117	117
4	100	104	89	110	120	118
1980 *1*	100	106	90	112	123	114
2						

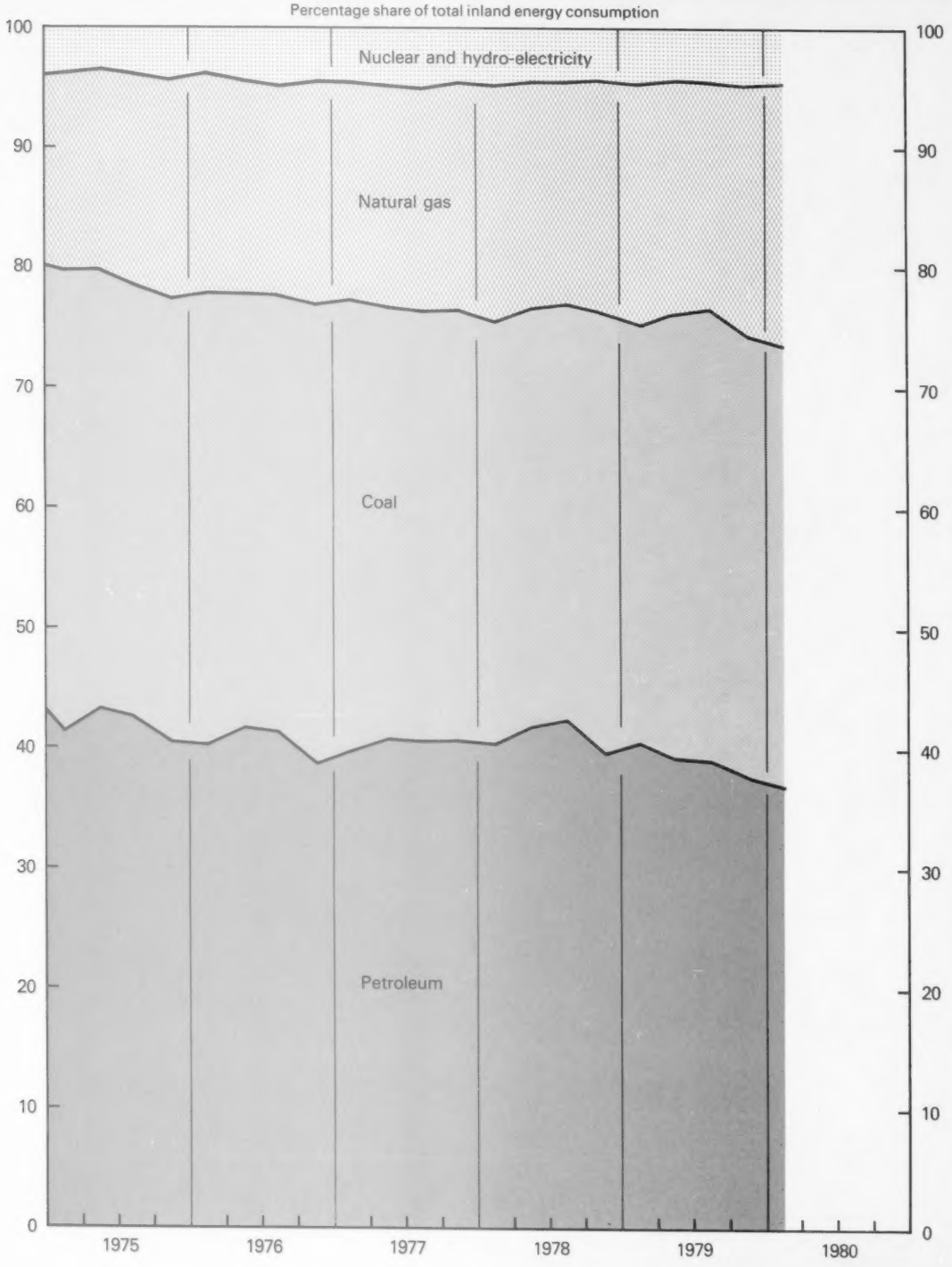

1975 prices, seasonally adjusted
130
120
110
100
90
Ratio of manufacturers' finished goods/production
Index of manufacturing production
Ratio of distributors' stocks/retail sales
Volume of retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP(e)
1975
1976
1977
1978
1979
1980

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tonnes of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4]	Nuclear electricity[5]	Hydro electricity[5]	Electricity available(GB)[6]	Gas available(GB)[7]
1969	323·0	162·8	138·4	9·4	10·7	1·7	200·5	5·40
1970	336·3	156·8	149·8	17·8	9·5	2·4	211·6	6·30
1971	332·9	140·0	152·4	28·8	9·9	1·8	215·9	8·25
1972	337·4	121·8	162·2	41·0	10·6	1·8	224·1	10·82
1973	354·2	133·2	164·5	44·4	10·1	2·0	241·0	12·04
1974	337·9	117·7	153·1	52·9	12·1	2·1	235·5	13·53
1975	326·9	120·6	137·1	56·3	10·9	2·0	234·2	13·90
1976	331·5	123·0	134·2	59·5	12·9	1·9	236·7	14·41
1977	338·2	122·4	136·8	62·7	14·3	2·0	240·2	15·42
1978	339·1	119·4	139·2	65·0	13·4	2·1	246·3	15·90
1979	350·1	127·8	137·0	69·3	13·8	2·2	255·0	16·71
1975 *1*	331·1	127·2	136·8	54·2	10·8	2·1	236·2	13·73
2	331·4	121·2	143·0	55·2	10·4	1·6	237·3	13·71
3	326·4	116·9	139·2	57·4	10·8	2·1	234·7	13·97
4	318·9	117·2	129·2	58·5	12·0	2·0	228·5	14·17
1976 *1*	332·5	125·5	133·8	60·4	10·9	1·9	230·9	14·27
2	334·6	120·8	139·5	59·2	12·5	2·6	240·4	14·36
3	330·9	120·5	136·7	57·6	14·6	1·5	244·3	14·46
4	328·0	125·2	126·8	61·0	13·4	1·6	231·4	14·53
1977 *1*	336·9	126·3	134·0	61·1	13·9	1·6	237·9	14·95
2	337·7	121·1	137·7	62·0	14·5	2·4	242·9	15·32
3	340·5	121·6	138·1	63·4	15·7	1·7	248·3	15·58
4	337·5	120·4	137·3	64·3	13·1	2·4	231·9	15·81
1978 *1*	331·4	116·7	133·4	64·9	14·6	1·8	237·3	15·79
2	341·2	118·7	142·9	64·2	13·3	2·1	248·1	15·68
3	338·3	117·2	143·6	62·4	13·2	1·9	253·9	15·80
4	343·4	125·2	136·7	66·5	12·5	2·5	245·7	16·31
1979 *1*	349·1	121·8	141·0	70·3	14·5	1·5	252·6	16·50
2	355·8	131·3	139·4	69·4	13·3	2·4	257·6	16·77
3	352·1	131·8	137·8	66·6	13·3	2·6	257·7	16·87
4	343·5	126·2	129·8	71·1	14·0	2·4	252·0	16·70
1980 *1*	337·2	123·8	124·6	73·2	13·7	1·9	255·0	16·95
2								
	Percentage change quarter on corresponding quarter of previous year							
1977 *1*	+ 1·3	+ 0·6	—	+ 1·2	+27·5	−15·8	+ 3·0	+ 4·8
2	+ 0·9	+ 0·2	− 1·3	+ 4·7	+16·0	− 7·7	+ 1·0	+ 6·7
3	+ 2·9	+ 0·9	+ 1·0	+10·1	+ 7·5	+13·3	+ 1·6	+ 7·7
4	+ 2·9	− 3·8	+ 8·3	+ 5·4	− 2·2	+50·0	+ 0·2	+ 8·6
1978 *1*	− 1·6	− 7·6	− 0·5	+ 6·2	+ 5·0	+12·5	− 0·2	+ 5·6
2	+ 1·0	− 2·0	+ 3·8	+ 3·6	− 8·3	−12·5	+ 2·1	+ 2·3
3	− 0·7	− 3·6	+ 4·0	− 1·6	−15·9	+11·8	+ 2·3	+ 1·3
4	+ 1·7	+ 4·0	− 0·4	+ 3·4	− 4·6	+ 4·2	+ 6·0	+ 2·2
1979 *1*	+ 5·3	+ 4·4	+ 5·7	+ 8·3	− 0·7	−16·7	+ 6·4	+ 4·5
2	+ 4·3	+10·6	− 2·4	+ 8·1	—	+14·3	+ 3·8	+ 7·0
3	+ 4·1	+12·5	− 4·0	+ 6·7	+ 0·8	+36·8	+ 1·5	+ 6·8
4	—	+ 0·8	− 5·0	+ 6·9	+12·0	− 4·0	+ 2·6	+ 2·4
1980 *1*	− 3·4	+ 1·6	−11·6	+ 4·1	− 5·5	+26·7	+ 1·0	+ 2·7
2								

[1] Converted to metric tonnes. Temperature correction has been introduced for natural gas. Details are given in *Energy Trends,* May 1978.
[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.
[4] Excluding gas flared or re-injected.
[5] Nuclear and hydro electricity are not temperature corrected.
[6] The inclusion of Northern Ireland would add about 2% to the total.
[7] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
Nuclear and hydro-electricity
Natural gas
Coal
Petroleum
100
90
80
70
60
50
40
30
20
10
0
1975
1976
1977
1978
1979
1980

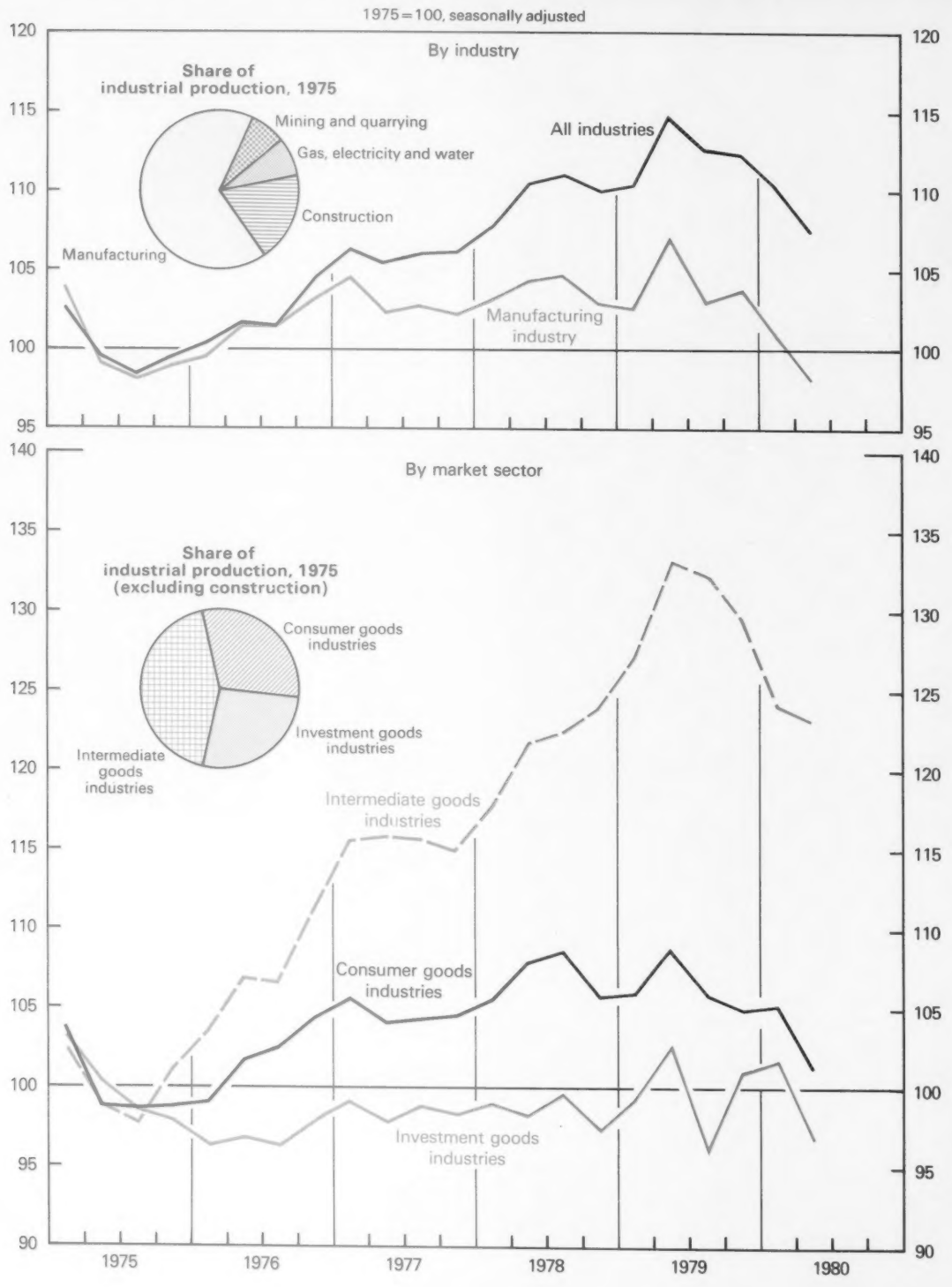
Index of industrial production

Seasonally adjusted

1975 =100

	All industries covered §	All industries other than MLH 104[2]	By industry: Mining and quarrying	By industry: Manufacturing §	By industry: Construction[3]	By industry: Gas, electricity and water	By market sector[1]: Consumer goods industries	By market sector[1]: Investment goods industries	By market sector[1]: Intermediate goods industries
1975 weights	*1,000*	*999·7*	*41*	*697*	*182*	*80*	*243*	*218*	*349*
1969	99·6	99·6	123·7†	97·6	113·5	80·9	89·4	95·7	102·9
1970	99·7	99·7	118·9	98·0	111·4	84·1	91·0	95·6	102·9
1971	99·8	99·7	118·9	97·5†	113·3	87·3	93·3	93·7	102·1
1972	102·0	101·8	100·1	100·0	115·4	93·6	99·9	91·3†	104·1
1973	109·5	109·3	110·1	108·4	118·2	99·3	108·0	99·0	112·6
1974	105·2	105·2	89·9	106·6	105·8	99·2	106·1	102·1	106·1
1975	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	102·0	100·7	125·8	101·4	98·6	102·9	101·8	96·8	107·0
1977	106·0	102·0	187·7	103·0	98·3	107·1	104·6	98·5	115·4
1978	109·8	104·0	232·5	103·8	105·0	110·2	107·0	98·5	121·4
1979	112·6	104·3	294·7	104·1	102·1	116·7†	106·4	99·7	130·5
1975 *1*	102·6	102·8	95·6	103·8	100·8	99·3	103·7	103·1	102·3
2	99·4	99·5	98·3	99·1	100·4	100·6	98·8	100·4	98·7
3	98·5	98·5	98·5	98·3	99·5	98·2	98·7	98·5	97·7
4	99·5	99·2	107·6	98·9	99·3	101·8	98·8	97·9	101·2
1976 *1*	100·4	99·8	110·2	99·3	100·9	103·5	99·0	96·3	103·4
2	101·7	100·6	120·1	101·5	97·8	102·4†	101·6	96·8	106·8
3	101·4	100·0	126·0	101·5	96·3	100·2	102·5	96·3	106·6
4	104·5	102·2	146·9	103·2	99·5	105·4	104·2	97·9	111·2
1977 *1*	106·3	102·9	174·7	104·5	97·4	106·2	105·6	99·1	115·4
2	105·5	101·5	190·4	102·4	97·2	108·5	104·0	97·8	115·8
3	106·0	101·9	190·2	102·8	98·4	107·7	104·2	98·9	115·6
4	106·1	101·7	195·4	102·3	100·3	105·9	104·5	98·4	114·8
1978 *1*	107·8	102·9	209·6	103·1	102·7	107·5	105·6	99·1	117·6
2	110·5	104·8	229·0	104·3	106·9	111·5	108·0	98·3	121·7
3	111·0	105·1	236·3	104·8	105·9	112·6	108·6	99·5	122·4
4	110·0	103·3	255·3	103·0	104·4	109·1	105·8	97·2	123·7
1979 *1*	110·4	102·6	278·2	102·5	97·8	121·2	105·9	99·1	127·0
2	114·8	106·4	296·2	107·0	102·7	117·2	108·6†	102·7	133·1
3	112·6	103·9	308·2	103·1	104·1	115·0	105·9	95·9	132·3
4	112·4†	104·2	296·1	103·8	103·7	113·3	105·0	101·0†	129·5
1980 *1*	110·3	101·7†	305·3†	100·7†	101·5	114·6	105·2	101·7	124·0†
2	107·4	99·1	296·8	97·9	99[4]†	112·5	101·2	96·6	123·0
1978 *J*	110·8	104·9	235	104·4	..	114	108	100	122
A	111·5	105·5	237	105·4	..	112	110	100	123
S	110·8	104·9	237	104·5	..	111	108	99	122
O	108·9	102·8	242	102·3	..	108	105	97	122
N	109·7	103·0	260	102·8	..	105	106	96	124
D	111·3	104·2	264	103·8	..	114	107	99	126
1979 *J*	105·2	97·4	281	95·0	..	121	101†	93	119
F	112·5	104·5	285	105·2	..	122	107	102	131
M	113·3†	106·0	269	107·4	..	121	110	102	131
A	113·6	105·8	281	106·2†	..	116†	108	103	130
M	114·9	106·3	300	106·6	..	119	108	103	134
J	116·0	107·1	308	108·1	..	116	110	103	135
J	115·4	106·4	314	106·7	..	115	109	101	135
A	111·9	103·3	305	102·1	..	116	105	95	132
S	110·6	102·0	306	100·4	..	114	104	92	130
O	111·6	103·2	300	102·7	..	111	104	98	130
N	113·9	105·6	296	105·2	..	119	107	103	132
D	111·9	103·8	292	103·6	..	111	105	102	127
1980 *J*	111·8	103·4†	301†	102·6	..	118	107	103	126†
F	110·3	101·7	307	101·1	..	111	106	104†	123
M	108·9	100·1	309	98·4	..	115	103	99	124
A	107·2	99·2	289	98·4	..	109	102	98	121
M	106·9	98·5	299	97·0	..	113	100	96	123
J	108·2	99·7	303	98·2		115	102	96	125

[1] All industries other than construction.
[2] MLH 104: extraction of mineral oil and natural gas.
[3] For an index of construction output for Great Britain, see page 30.
[4] Preliminary estimate.


1975 = 100, seasonally adjusted
By industry
Share of industrial production, 1975
Mining and quarrying
Gas, electricity and water
Construction
Manufacturing
All industries
Manufacturing industry
By market sector
Share of industrial production, 1975 (excluding construction)
Consumer goods industries
Investment goods industries
Intermediate goods industries
Intermediate goods industries
Consumer goods industries
Investment goods industries
120
115
110
105
100
95
140
135
130
125
120
115
110
105
100
95
90
1975
1976
1977
1978
1979
1980

Index numbers of output at constant factor cost

Seasonally adjusted

1975 = 100

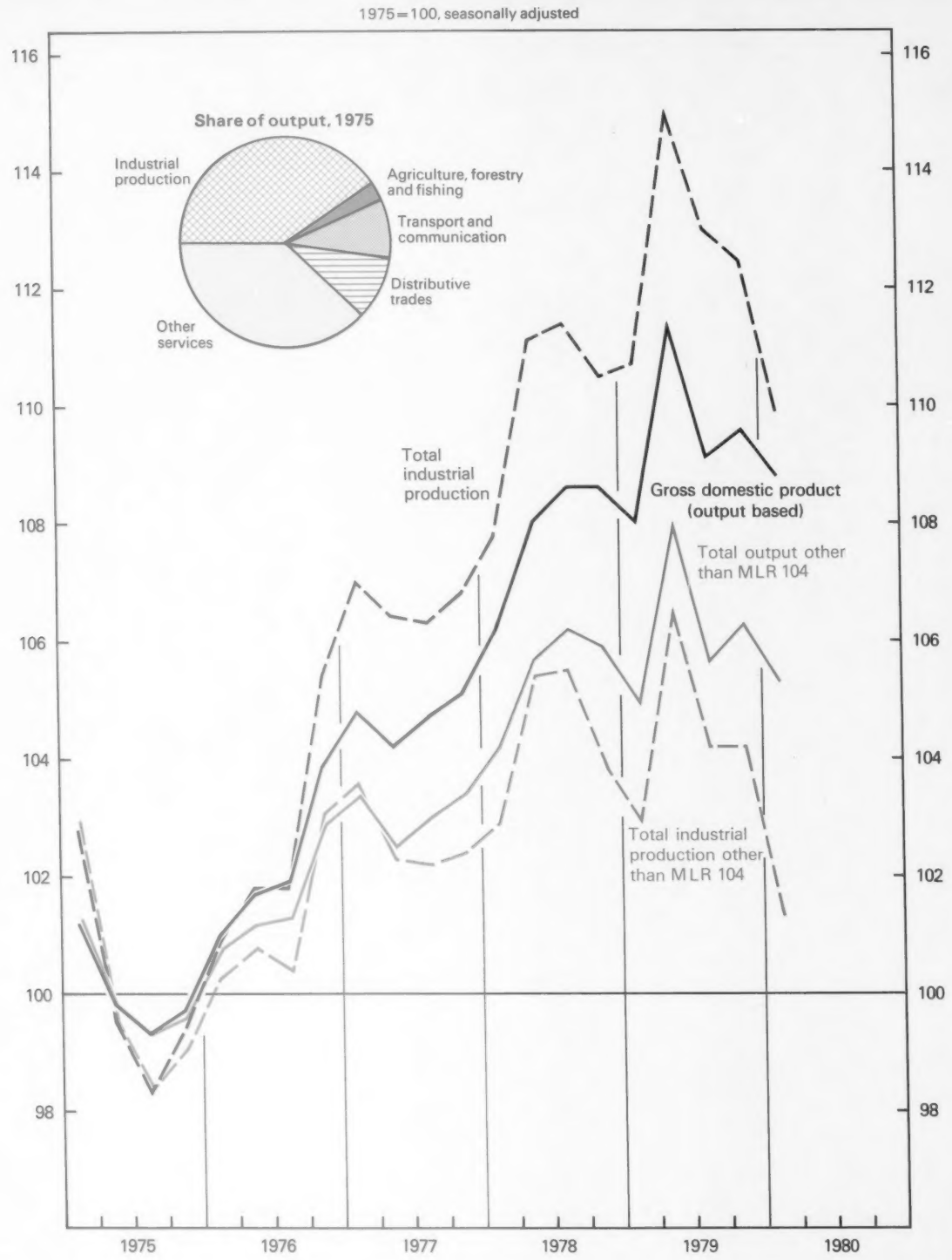
	Gross domestic product[1] §	Total output other than MLH 104[1,2]	Agriculture, forestry and fishing	Industrial production: Total[1] §	Industrial production: Total other than MLH 104[1,2]	Industrial production: Manufacturing[1]	Transport and communication	Distributive trades	Other
1975 weights	*1,000*	*999·9*	*28*	*407*	*406·6*	*283*	*88*	*101*	*376*
1969	92·0	92·0	90·8	99·6	99·6	98·0	82·8	92·5	85·9
1970	93·6	93·6	96·3	99·7	99·7	98·4	86·3	94·6	88·2
1971	95·0	94·9	101·4	99·5	99·3	97·3	88·6	96·1	90·9
1972	97·9	97·8	104·7	101·5	101·3	99·6	92·9	100·9	94·1
1973	103·7	103·7	108·0	109·8	109·6	108·8	99·9	106·8	96·9
1974	102·0	102·0	110·3	105·8	105·8	107·5	100·6	103·3	97·2
1975	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	102·1	101·6	92·8	102·5	101·1	102·1	99·4	100·8	103·4
1977	104·7	103·1	105·9	106·6	102·6	103·9	102·5	98·9	104·6
1978	107·8	105·5	113·3	110·2	104·4	104·3	105·7	103·5	106·6
1979	109·5	106·2	110·4	112·8	104·5	104·4	110·0	105·9	106·8
1975 *1*	101·2	101·3	103	102·8	103·0	104·1	101	103	99
2	99·8	99·8	101	99·5	99·5	99·2	100	101	100
3	99·3	99·3	99	98·3	98·4	98·0	100	98	101
4	99·7	99·6	97	99·4	99·1	98·7	98	98	101
1976 *1*	101·0	100·8	94	100·9	100·3	100·0	98	101	103
2	101·7	101·2	90	101·8	100·8	101·7	99	100	103
3	101·9	101·3	91	101·8	100·4	102·0	100	101	103
4	103·9	102·9	96	105·4	103·1	104·5	102	101	104
1977 *1*	104·8	103·4	102	107·0	103·6	105·6	104	99	104
2	104·2	102·5	105	106·4	102·3	103·6	102	97	104
3	104·7	103·0	108	106·3	102·2	103·2	102	99	105
4	105·1	103·4	109	106·8	102·4	103·3	103	100	105
1978 *1*	106·2	104·2	111	107·8	102·9	103·2	104	101	106
2	108·0	105·7	114	111·1	105·4	105·2	106	103	106
3	108·6	106·2	115	111·4	105·5	105·4	106	105	107
4	108·6	105·9	113	110·5	103·9	103·7	108	105	107
1979 *1*	108·0	104·9	111	110·7	102·9	102·9	105	104	107
2	111·4	108·0	110	115·0	106·6	107·3	113	109	108
3	109·1	105·6	110	113·0	104·2	103·6	111	104	106
4	109·6	106·3	111	112·5	104·2	103·9	112	106	107
1980 *1*	108·8	105·3	112	109·9	101·3	100·1	113	106	107
2									

Percentage change, quarter on corresponding quarter of previous year

1977 *1*	+3·7	+2·6	+9	+6·0	+3·3	+5·5	+6	−1	+2
2	+2·5	+1·3	+18	+4·5	+1·6	+1·8	+3	−3	+1
3	+2·8	+1·7	+20	+4·4	+1·8	+1·2	+3	−2	+1
4	+1·2	+0·4	+15	+1·3	−0·7	−1·1	+1	−1	+1
1978 *1*	+1·4	+0·8	+10	+0·8	−0·7	−2·3	—	+2	+2
2	+3·7	+3·1	+9	+4·4	+3·0	+1·5	+4	+5	+2
3	+3·7	+3·1	+7	+4·8	+3·3	+2·1	+3	+5	+2
4	+3·3	+2·4	+4	+3·5	+1·4	+0·3	+5	+6	+2
1979 *1*	+1·7	+0·6	—	+2·6	—	−0·2	+1	+3	+1
2	+3·1	+2·1	−4	+3·5	+1·1	+2·0	+6	+7	+2
3	+0·5	−0·6	−4	+1·4	−1·2	−1·7	+5	−1	−1
4	+1·0	+0·3	−2	+1·8	+0·4	+0·2	+4	—	—
1980 *1*	+0·8	+0·5	+1	−0·7	−1·6	−2·8	+8	+2	—
2									

[1] Some indicators within the index of industrial production are based on sales data which may overstate or understate the level of output. The index numbers in this table allow for this by adjusting for changes in the level of stocks in these sectors. Differences between the data in this table and those on page 26 arise from this adjustment and also because page 26 may be based on later information.

[2] MLH 104: Extraction of mineral oil and natural gas.

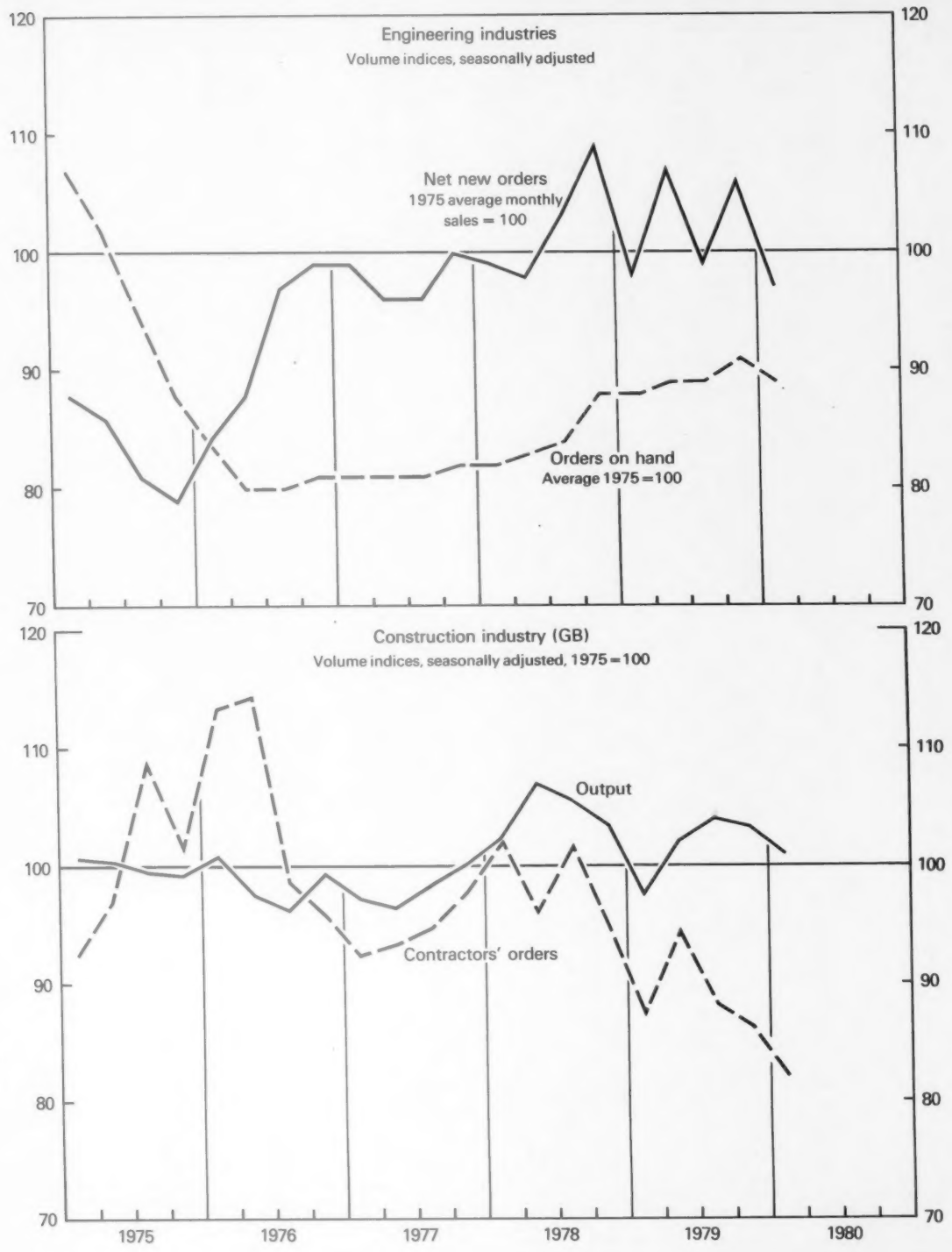

1975=100, seasonally adjusted
116
114
112
110
108
106
104
102
100
98
Share of output, 1975
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Total industrial production
Gross domestic product (output based)
Total output other than MLR 104
Total industrial production other than MLR 104
1975
1976
1977
1978
1979
1980

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

	Engineering industries[1]							Construction (GB)	
	Total			Home market		Export			
	Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3], [4],	Orders received
	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	1975=100	1975=100
1969	..	..	..	..	..	..	..	117·4	133·7
1970	..	..	..	..	..	..	..	115·2	131·1
1971	..	..	..	..	..	..	..	116·2	139·2
1972	..	..	..	..	..	..	..	117·4	146·3
1973	99	113	116	120	121	100	105	118·1	141·4
1974	102	114	103	115	102	112	106	106·0	101·1
1975	100	88	84	87	83	90	84	100·0	100·0
1976	97	81	92	74	87	94	104	98·5	105·5
1977	97	82	98	75	93	98	108	98·1	94·6
1978[5]	99	88	102	83	100	98	106	104·6	98·7
1979	100	91	102	86	100	100	108	101·7	89·0†
1975 *1*	105	107	88	108	89	105	85	100·7	92·5
2	100	102	86	102	85	102	89	100·4	97·1
3	98	95	81	94	80	96	84	99·6	108·8
4	97	88	79	87	78	90	80	99·3	101·6
1976 *1*	96	84	84	83	83	85	89	100·9	113·2
2	98	80	88	79	87	82	91	97·6	114·2
3	96	80	97	77	90	87	113	96·2	98·6
4	97	81	99	74	89	94	123	99·4	95·9
1977 *1*	98	81	99	74	95	96	107	97·2	92·4
2	96	81	96	73	90	98	112	96·7	93·4
3	97	81	96	73	92	96	105	98·4	94·8
4	96	82	100	75	96	98	109	100·2	97·8
1978[5] *1*	99	82	99	75	95	98	107	102·5	102·2
2	97	83	98	75	96	97	101	107·0	96·1
3	100	84	103	76	99	99	111	105·6	101·7
4	98	88	109	83	112	98	102	103·5	94·7
1979 *1*	97	88	98	82	92†	101	110	97·4	87·3†
2	105	89†	107	83	104	100	110†	102·1	94·3
3	97	89	99	84	99	99	100	104·0	88·3
4	103	91	106	86	103	100	112	103·2	86·3
1980 *1*	103	89	97	83	94	99	106	101·0[5]	82·2
2									
1978[5] *J*	98	83	103	76	100	97	109	..	93·8
A	100	83	97	76	98	95	95	..	104·5
S	102	84	108	76	98	99	130	..	106·8
O	96	84	97	76	97	98	98	..	105·9
N	98	87	124	81	131	98	107	..	90·0
D	101	88	106	83	108	98	102	..	88·0
1979[5] *J*	85	89	93	83	90	101	102	..	83·5
F	102	88†	99	83	95	100	108	..	95·0†
M	105	88	101	82	93	101	120	..	83·3
A	102	88	104	82	100	101	114†	..	90·6
M	103	89	105†	83	106	100	101	..	98·2
J	109	89	109	83	106	100	115	..	94·1
J	101	89	103	84	105	99	97	..	95·3
A	96	89	98	84	96	99†	101	..	88·6
S	94	89	98	84	97	99	101	..	80·9
O	96	90	104	85	95†	102	127	..	91·2
N	106	91	112	86	112	102	112	..	85·4
D	106†	91	102	86	104	100	98	..	82·2
1980 *J*	100	90	91	84	85	101	104	..	79·6
F	103	89	97	84	97	99	96	..	87·5
M	107	89	105	83	99	99	118	..	79·4
A	98	88	93	83	94	98	92	..	79·0[5]
M	99	87	95	83	93	97	100		71·3[5]
J									

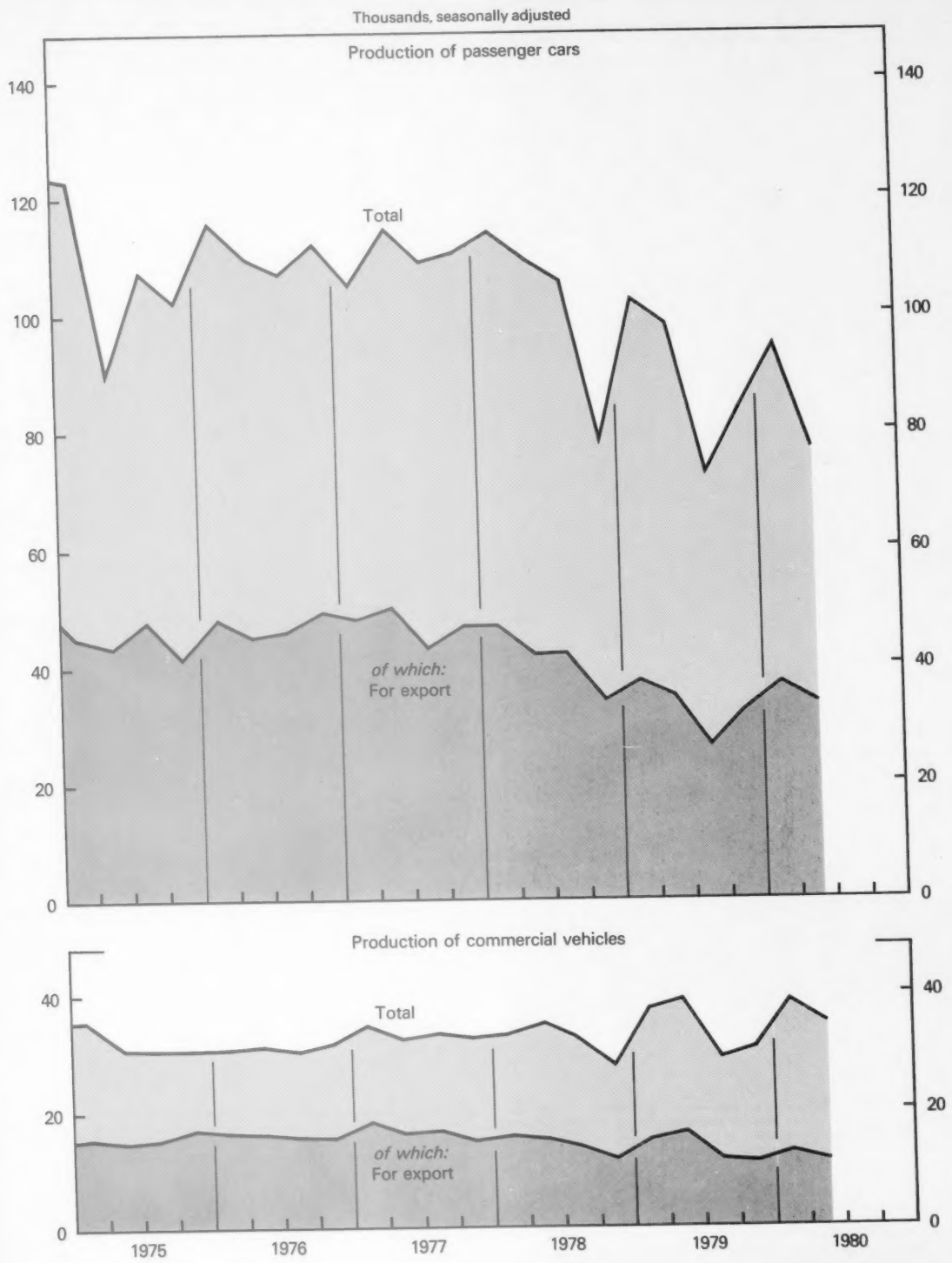
[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).
[2] Net of cancellations.
[3] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
[4] Details of the method of deflation to constant prices are given in *Economic Trends*, No. 297, July 1978.
[5] Provisional.


Engineering industries
Volume indices, seasonally adjusted
Net new orders
1975 average monthly sales = 100
Orders on hand
Average 1975 = 100
Construction industry (GB)
Volume indices, seasonally adjusted, 1975 = 100
Output
Contractors' orders
120
110
100
90
80
70
1975
1976
1977
1978
1979
1980

Motor vehicle production and steel production and consumption

	Seasonally adjusted							
	Thousands[1]						Thousand tonnes	
	Passenger cars§			Commercial vehicles§				
	Total	*Percentage change on year earlier*	*of which:* For export	Total	*Percentage change on year earlier*	*of which:* For export	Crude steel production[2,3]	Finished steel consumption
1969	143·1	*− 5·4*	68·7	38·8	*+13·8*	16·1	26,822	17,782
1970	136·7	*− 4·4*	60·2	38·1	*− 1·8*	15·8	27,792[4]	17,637[4]
1971	145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7	24,153	16,722
1972	160·1	*+10·3*	51·1	34·0	*−10·5*	11·3	25,293	16,750
1973	145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3	26,594	18,445
1974	127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2	22,323	17,548
1975	105·6	*−17·4*	44·3	31·7	*− 5·4*	15·5	19,789[4]	15,446[4]
1976	111·1	*+ 5·2*	47·1	31·0	*− 2·3*	15·8	22,274	15,804
1977	109·7	*− 1·3*	46·9	33·2	*+ 7·0*	16·4	20,411	15,300
1978	101·9	*− 7·1*	41·2	32·0	*− 3·5*	14·1	20,311	15,593
1979	89·2	*−12·5*	32·7	34·0	*+ 6·1*	13·5	21,412†	15,322
1975 *3*	107·9	*−15·0*	47·8	30·4	*−14·9*	15·2	4,231[5]	3,715[5]
4	102·1	*−17·7*	41·2	30·4	*−14·1*	16·7	4,719	3,769
1976 *1*	116·1	*− 5·8*	48·2	30·6	*−14·2*	16·1	5,480	4,076
2	109·6	*+22·7*	44·9	31·4	*+ 3·1*	16·0	5,731	3,887
3	106·8	*− 1·1*	45·9	30·3	*− 0·2*	15·6	5,375	3,785
4	112·1	*+ 9·8*	49·4	31·7	*+ 4·3*	15·5	5,650	4,056
1977 *1*	104·6	*− 9·9*	47·8	34·6	*+13·1*	18·3	5,417	3,744
2	114·8	*+ 4·8*	50·1	32·1	*+ 2·2*	16·1	4,908	3,758
3	108·9	*+ 2·0*	42·8	33·6	*+10·9*	16·5	5,419	3,974
4	110·3	*− 1·5*	46·9	32·4	*+ 2·3*	14·7	4,641	3,824
1978 *1*	114·9	*+ 9·8*	46·9	33·2	*− 4·0*	15·7	4,957	4,202
2	109·4	*− 4·7*	41·9	35·0	*+ 8·9*	15·2	5,278	3,949
3	105·7	*− 2·9*	42·2	32·3	*− 4·0*	13·9	4,757	3,910
4	77·6	*−29·7*	33·9	27·7	*−14·5*	11·6	5,245	3,522
1979 *1*	102·7	*−10·6*	37·6	37·7	*+13·5*	15·2	4,954	3,662
2	98·1	*−10·4*	34·9	39·0	*+11·4*	16·3	5,721	3,920
3	72·2	*−31·7*	26·0	28·9	*−10·5*	11·7	5,485	3,750
4	83·8	*+ 8·0*	32·4	30·5	*+ 9·9*	11·0	5,252	3,990
1980 *1*	94·2	*− 8·3*	36·9	38·7	*+ 2·6*	12·7	784†	..
2	76·9	*−21·6*	33·8	34·7	*−11·0*	11·4	4,061	..
1978 *O*	83·3	*−22·6*	37·0	26·2	*−22·7*	10·8	1,614	..
N	54·8	*−48·6*	26·8	24·4	*−20·4*	11·6	2,072[6]	..
D	94·7	*−18·8*	37·8	32·5	*− 0·6*	12·3	1,559	..
1979 *J*	92·8	*−16·7*	34·8	34·7	*+ 3·9*	12·4	1,598[6]	..
F	104·6	*− 6·7*	39·5	37·9	*+23·2*	15·8	1,634	..
M	110·8	*− 8·6*	38·4	40·5	*+14·3*	17·3	1,722	..
A	101·9	*−12·7*	36·4	41·9	*+16·3*	18·7	1,776	..
M	90·8	*−12·6*	32·7	37·0	*+ 6·9*	15·4	2,148[6]	..
J	101·5	*− 5·6*	35·7	38·1	*+10·9*	15·0	1,797	..
J	99·6	*+ 4·1*	34·1	39·6	*+18·1*	14·5	1,804	..
A	56·9	*−50·4*	23·2	22·9	*−26·8*	10·2	1,871[6]	..
S	60·2	*−43·6*	20·5	24·3	*−24·4*	10·3	1,810	..
O	76·5	*− 8·3*	25·4	26·5	*+ 0·9*	10·1	2,098[6]	..
N	84·6	*+54·3*	36·2	32·4	*+32·5*	11·6	1,668	..
D	90·3	*− 4·6*	35·7	32·6	*+ 0·2*	11·3	1,486	..
1980 *J*	99·7	*+ 7·4*	40·9	39·1	*+12·9*	15·3	325†	..
F	105·5	*+ 0·9*	39·9	44·1	*+16·3*	13·4	125	..
M	77·3	*−30·2*	29·8	32·8	*−19·0*	9·3	334	..
A	81·0	*−20·5*	34·8	35·1	*−16·3*	11·3	1,164	..
M	66·0	*−27·3*	29·6	31·5	*−14·8*	10·6	1,386	..
J	83·8	*−17·5*	36·9	37·6	*− 1·4*	12·2	1,511	..

[1] Monthly averages or standardised calendar months.
[2] The totals are for 'usable steel' in accordance with the system used by the EEC and the International Iron and Steel Institute.
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[4] 53-week period; reduced to 52-week basis for comparison purposes.
[5] 14-week period; reduced to 13-week basis for comparison purposes.
[6] Five-week periods.


Thousands, seasonally adjusted
Production of passenger cars
140
120
100
80
60
40
20
0
Total
of which:
For export
Production of commercial vehicles
40
20
0
Total
of which:
For export
1975
1976
1977
1978
1979
1980

Output per person employed

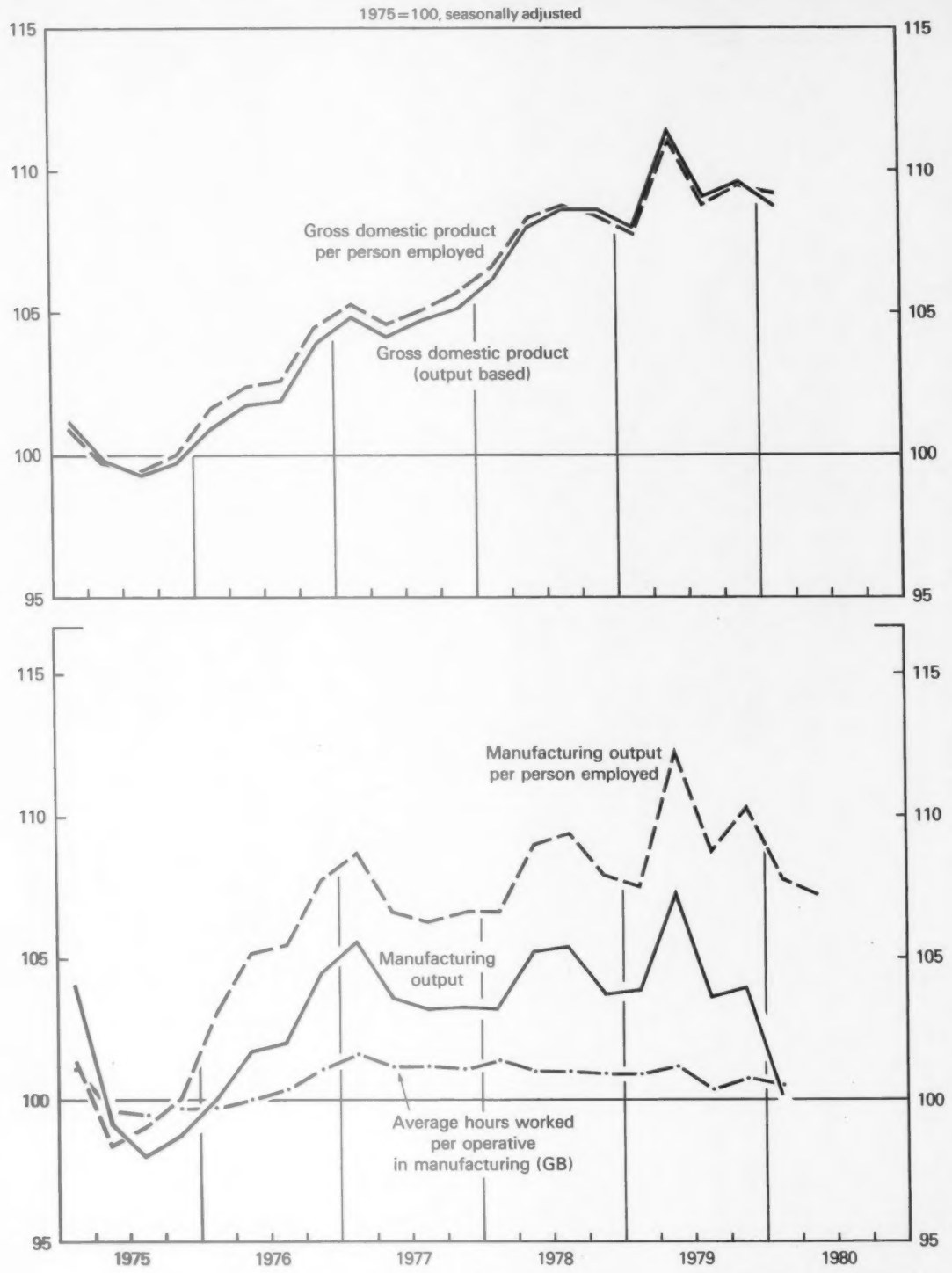
Seasonally adjusted

1975 = 100

	Total employed labour force	Employment		Output per person employed[1]		
		Index of production industries	Manufacturing industries	Whole economy	Index of production industries[2]	Manufacturing industries[2]
1969	99·7	110·3	111·3	92·3	90·6†	88·0
1970	99·3	108·7	111·1	94·2	92·0	88·6
1971	97·7	105·4	107·5	97·2	94·6	90·5
1972	98·1	103·1	104·0	99·9	98·7	95·8
1973	100·2	104·5	104·5	103·6	105·1	104·1
1974	100·6	104·1	104·7	101·4	101·6	102·6
1975	100·0	100·0	100·0	100·0	100·0	100·0
1976	99·4	97·5	96·9	102·8	105·1	105·4
1977	99·6	97·2	97·1	105·2	109·7	107·1
1978	99·9	96·7	96·4	108·0	114·0	108·2
1979	100·2	95·9	95·1	109·3	117·6	109·7
1975 *1*	100·3	102·0	102·7	100·9	100·8	101·4
2	100·1	100·5	100·7	99·7	99·0	98·4
3	99·9	99·1	98·9	99·4	99·2	99·1
4	99·7	98·3	97·7	100·0	101·2	101·1
1976 *1*	99·4	97·8	97·0	101·6	103·1	103·1
2	99·3	97·4	96·7	102·4	104·5	105·2
3	99·3	97·3	96·7	102·6	104·6	105·5
4	99·4	97·4	97·0	104·5	108·2	107·7
1977 *1*	99·5	97·3	97·1	105·3	109·9	108·7
2	99·6	97·4	97·2	104·6	109·2	106·6
3	99·6	97·2	97·1	105·1	109·3	106·3
4	99·5	96·9	96·9	105·7	110·2	106·6
1978 *1*	99·6	96·9	96·8	106·6	111·2	106·6
2	99·7	96·7	96·5	108·3	114·9	109·0
3	99·9	96·6	96·3	108·7	115·3	109·4
4	100·2	96·4	96·0	108·4	114·5	107·9
1979 *1*	100·2	96·2	95·7	107·8	115·0	107·5
2	100·3	96·1	95·5	111·1	119·7	112·3
3	100·3	96·1	95·1	108·8	117·5	108·8
4	100·1	95·2	94·1	109·5	118·1	110·3
1980 *1*	99·6	94·1†	92·9	109·2	116·8†	107·7†
2		92·7	91·3		115·9	107·2
	Percentage change, quarter on corresponding quarter of previous year					
1977 *1*	*+0·1*	*−0·5*	*+0·1*	*+3·6*	*+6·6*	*+5·4†*
2	*+0·3*	*—*	*+0·5*	*+2·1*	*+4·5*	*+1·3*
3	*+0·3*	*−0·1*	*+0·4*	*+2·4*	*+4·5*	*+0·8*
4	*+0·1*	*−0·5*	*−0·1*	*+1·1*	*+1·8*	*−1·0*
1978 *1*	*+0·1*	*−0·4*	*−0·3*	*+1·2*	*+1·2*	*−1·9*
2	*+0·1*	*−0·7*	*−0·7*	*+3·5*	*+5·2*	*+2·3*
3	*+0·3*	*−0·6*	*−0·8*	*+3·4*	*+5·5*	*+2·9*
4	*+0·7*	*−0·5*	*−0·9*	*+2·6*	*+3·9*	*+1·2*
1979 *1*	*+0·6*	*−0·7*	*−1·1*	*+1·1*	*+3·4*	*+0·8*
2	*+0·6*	*−0·6*	*−1·0*	*+2·6*	*+4·2*	*+3·0*
3	*+0·4*	*−0·5*	*−1·2*	*+0·1*	*+1·9*	*−0·5†*
4	*−0·1*	*−1·2*	*−2·0*	*+1·0*	*+3·1*	*+2·2*
1980 *1*	*−0·6*	*−2·2†*	*−2·9*	*+1·3*	*+1·6†*	*+0·2*
2		*−3·5*	*−4·4*		*−3·2*	*−4·5*

[1] The ratios do not take into account part-time working or hours of work.

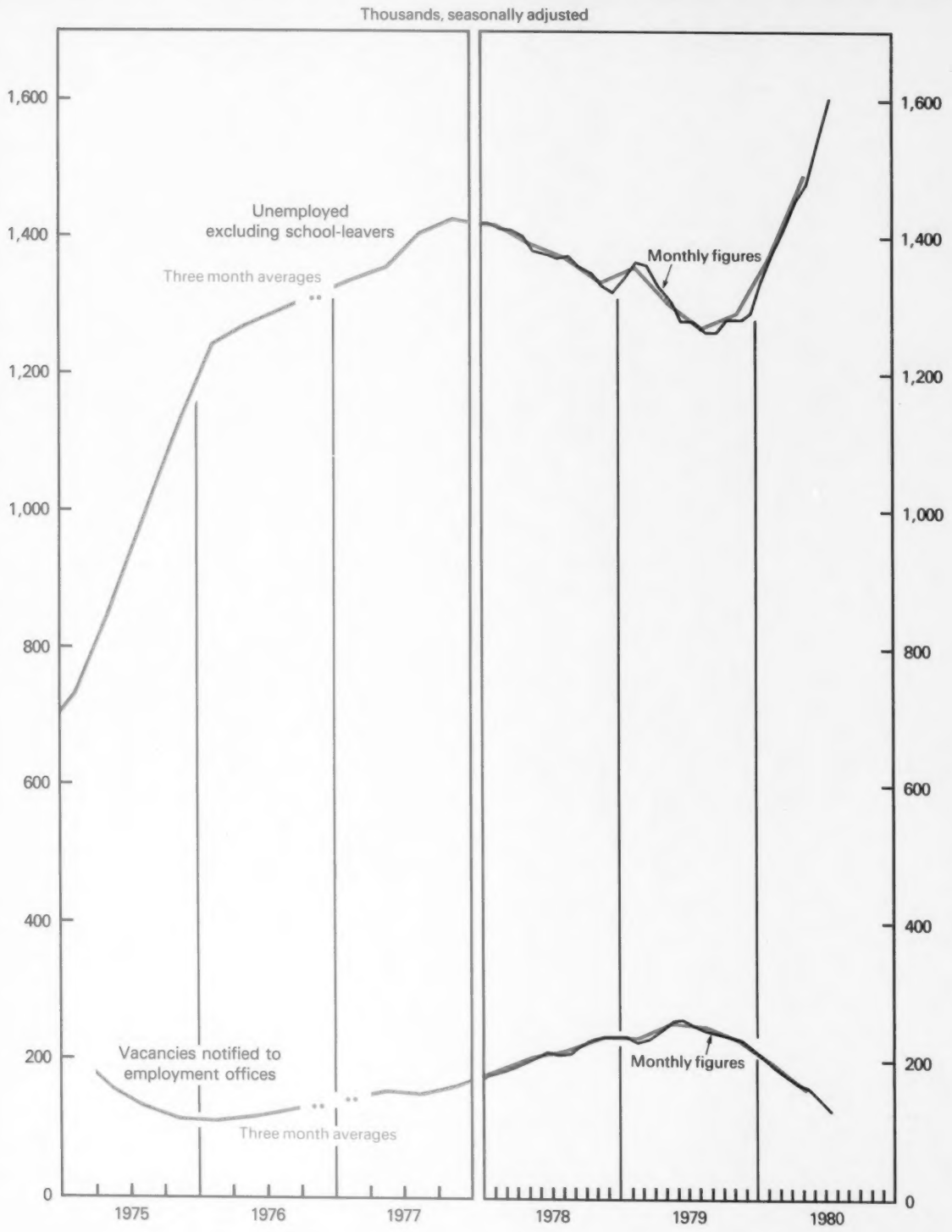
[2] Some indicators within the index of industrial production are based on sales data, which may overstate or understate the level of output. The index numbers used to calculate output per person employed allow for this by adjusting for changes in the level of stocks in these sectors.


1975 = 100, seasonally adjusted
115
110
105
100
95
Gross domestic product
per person employed
Gross domestic product
(output based)
Manufacturing output
per person employed
Manufacturing
output
Average hours worked
per operative
in manufacturing (GB)
1975
1976
1977
1978
1979
1980

National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands	1975 = 100	1975 = 100	Thousands
	Working population[2]	Employed labour force[2]	Employees in employment[2,3]	Thousands[4]	Percentage of employees[5]	Vacancies notified to employment offices§	Employees in employment[2,3]	Average hours worked per operative[6]	Total unemployed including school leavers[4]
1970	25,344	24,739	22,465	602·0	*2·6*	188·3	111·3	104·5	612·2
1971	25,166	24,390	22,113	775·8	*3·4*	130·9	107·5	102·6	792·1
1972	25,244	24,386	22,116	854·9	*3·7*	147·3	103·8	102·1	875·6
1973	25,601	24,971	22,663	611·0	*2·6*	307·0	104·5	103·9	618·8
1974	25,654	25,059	22,789	599·7	*2·6*	301·6	105·0	101·1	614·9
1975	25,852	24,932	22,710	929·1	*3·9*	148·1	100·0	100·0	977·6
1976	26,147	24,763	22,541	1,269·3	*5·3*	119·7	96·7	100·3	1,358·8
1977	26,328	24,824	22,611	1,376·8	*5·7*	155·9	97·4	101·3	1,483·6
1978	26,360	24,860	22,656	1,376·2	*5·7*	210·5	96·6	101·1	1,475·0
1979	26,414	25,015	22,815	1,303·4	*5·4*	241·4	95·6	100·8	1,390·5
1975 *3*	25,975	24,886	22,660	994·6	*4·2*	133·8	98·4	99·5	1,095·5
4	26,031	24,824	22,599	1,128·2	*4·8*	115·5	97·4	99·7	1,172·3
1976 *1*	26,048	24,762	22,539	1,222·7	*5·1*	114·0	96·8	99·7	1,297·5
2	26,147	24,763	22,541	1,269·3	*5·3*	115·7	96·7	100·0	1,294·9
3	26,148	24,762	22,538	1,290·6	*5·4*	126·2	96·8	100·4	1,473·7
4	26,182	24,799	22,579	..	..	..	97·0	101·1	..
1977 *1*	26,203	24,811	22,595	1,331·5	*5·5*	..	97·2	101·6	1,417·8
2	26,328	24,824	22,611	1,352·5	*5·6*	153·0	97·4	101·2	1,394·7
3	26,344	24,816	22,602	1,400·1	*5·8*	154·7	97·1[7]	101·2	1,622·4
4	26,298	24,802	22,592	1,423·1	*5·9*	164·3	96·9	101·1	1,499·4
1978 *1*	26,321	24,847	22,640	1,415·3	*5·9*	185·9	96·9	101·4	1,506·1
2	26,360	24,860	22,656	1,389·6	*5·7*	204·1	96·6	101·0	1,428·2
3	26,345	24,914	22,708	1,365·2	*5·6*	216·7	96·3	101·0	1,570·6
4	26,378	24,995	22,792	1,334·7	*5·5*	235·4	95·9	100·9	1,395·3
1979 *1*	26,395	24,977	22,776	1,355·7	*5·6*	232·4	95·7	100·9	1,436·5
2	26,414	25,015	22,815	1,304·4	*5·4*	252·3	95·6	101·2	1,327·9
3	26,315	25,008†	22,803†	1,266·8	*5·2*	249·1	94·9	100·4	1,438·0
4	26,285	24,929	22,724	1,286·7	*5·3*	231·8	93·8	100·8	1,359·4
1980 *1*	26,249†	24,775	22,568	1,377·8	*5·7*	193·0	92·5	100·5	1,479·2
2				1,492·3	*6·2*	159·4		99·2	1,563·9
1979 *J*	..	..	..	1,340·9	*5·5*	236·2	95·8	100·5	1,455·3
F	..	..	..	1,366·0	*5·7*	229·0	95·7	101·0	1,451·9
M	..	..	..	1,360·3	*5·6*	232·0	95·7	101·2	1,402·3
A	..	..	..	1,325·3	*5·5*	243·6	95·6	101·4	1,340·6
M	..	..	..	1,306·1	*5·4*	254·6	95·6	101·1	1,299·3
J	..	..	..	1,281·8	*5·3*	258·8	95·6	101·2	1,343·9
J	..	..	..	1,276·4	*5·3*	252·9	95·6	101·1	1,464·0
A	..	..	..	1,262·0	*5·2*	248·6	95·4	100·1	1,455·5
S	..	..	..	1,261·9	*5·2*	245·9	94·9	100·0	1,394·5
O	..	..	..	1,278·8	*5·3*	238·4	94·4	100·4	1,367·6
N	..	..	..	1,283·7	*5·3*	234·6	94·1	101·0	1,355·2
D	..	..	..	1,297·7	*5·4*	222·3	93·8	101·0	1,355·5
1980 *J*	..	..	..	1,336·7	*5·5*	206·9	93·5	101·0	1,470·6
F	..	..	..	1,383·1	*5·7*	191·4	92·9	100·7	1,488·9
M	..	..	..	1,413·5	*5·9*	180·8	92·5	99·8	1,478·0
A	..	..	..	1,458·1	*6·0*	168·5	91·9	99·3	1,522·9
M	..	..	..	1,483·8	*6·1*	163·0	91·3	99·3	1,509·2
J	..	..	..	1,535·1	*6·4*	146·7	90·6	99·1	1,659·7
J	..	..	..	1,605·7	*6·6*	126·0			1,896·6
A	..	..	..						
S	..	..	..						

[1] Unemployment figures do not include adult students registered for temporary employment during a current vacation.
[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment.
[3] From 1971, the employees in employment estimates are based on annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate to mid-year. From September 1977 the employees in employment figures for the UK are provisional until the publication of the results of the Census of Employment for June 1978. A constant component for Northern Ireland is included from June 1979.
[4] From October 1979, figures have been adjusted for the effects of fortnightly payment of benefit as described on page 1151 of *Employment Gazette*, November 1979.
[5] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): the latest figure available is the revised provisional estimate for mid-1979.
[6] Estimates after June 1977 are provisional.
[7] Averages of eleven months' figures.


Thousands, seasonally adjusted
1,600
1,400
1,200
1,000
800
600
400
200
0
Unemployed
excluding school-leavers
Three month averages
Monthly figures
Vacancies notified to
employment offices
Three month averages
Monthly figures
1975
1976
1977
1978
1979
1980

Regional unemployment rates[1]

Seasonally adjusted

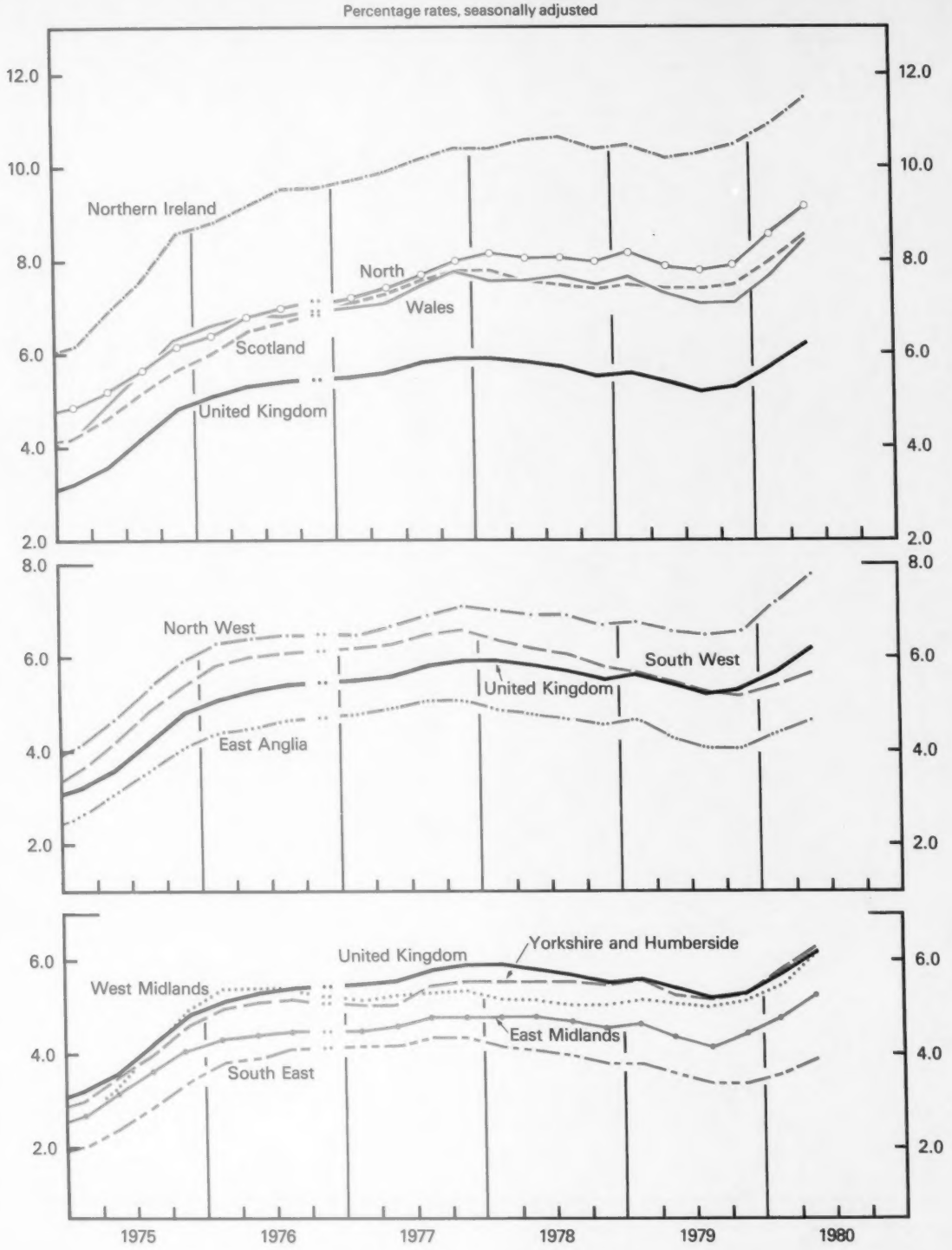
Per cent

	North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1975 *1*	4·8	3·0	2·7	2·6	2·0	3·6	2·7
2	5·2	3·5	3·2	3·1	2·4	4·2	3·6
3	5·7	4·0	3·7	3·6	2·9	4·8	4·2
4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976 *1*	6·4	5·0	4·3	4·4	3·8	5·8	5·4
2	6·8	5·1	4·4	4·5	3·9	6·0	5·4
3	7·0	5·2	4·5	4·7	4·1	6·1	5·4
4	..	..	..	..	..	..	..
1977 *1*	7·2	5·1	4·5	4·8	4·2	6·2	5·2
2	7·4	5·1	4·6	4·9	4·2	6·3	5·3
3	7·7	5·5	4·8	5·1	4·4	6·5	5·4
4	8·0	5·6	4·8	5·1	4·4	6·6	5·4
1978 *1*	8·2	5·6	4·8	4·9	4·2	6·4	5·2
2	8·1	5·6	4·8	4·8	4·1	6·2	5·2
3	8·1	5·6	4·7	4·7	4·0	6·1	5·1
4	8·0	5·5	4·6	4·6	3·8	5·8	5·1
1979 *1*	8·2	5·6	4·7	4·7	3·8	5·7	5·2
2	7·9	5·3	4·4	4·3	3·6	5·5	5·1
3	7·8	5·2	4·2	4·1	3·4	5·3	5·0
4	7·9	5·3	4·5	4·1	3·4	5·2	5·2
1980 *1*	8·6	5·8	4·8	4·4	3·6	5·4	5·5
2	9·2	6·3	5·3	4·7	3·9	5·7	6·2

	North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1975 *1*	4·1	4·2	4·2	3·1	6·1	3·1
2	4·7	4·9	4·6	3·6	6·9	3·6
3	5·3	5·6	5·2	4·1	7·6	4·2
4	5·9	6·3	5·7	4·7	8·6	4·8
1976 *1*	6·3	6·6	6·0	5·0	8·8	5·1
2	6·4	6·8	6·5	5·2	9·2	5·3
3	6·5	6·8	6·7	5·3	9·5	5·4
4	..	..	..	..	9·6	..
1977 *1*	6·5	7·0	7·1	5·4	9·7	5·5
2	6·7	7·1	7·3	5·5	9·9	5·6
3	6·9	7·5	7·6	5·7	10·2	5·8
4	7·1	7·8	7·8	5·8	10·4	5·9
1978 *1*	7·0	7·6	7·8	5·8	10 4	5·9
2	6·9	7·6	7·6	5·6	10·6	5·8
3	6·9	7·7	7·5	5·5	10·7	5·7
4	6·7	7·5	7·4	5·4	10·4	5·5
1979 *1*	6·8	7·7	7·5	5·5	10·5	5·6
2	6·6	7·3	7·4	5·3	10·2	5·4
3	6·5	7·1	7·4	5·1	10·3	5·2
4	6·6	7·1	7·5	5·2	10·5	5·3
1980 *1*	7·2	7·7	8·0	5·6	10·9	5·7
2	7·8	8·5	8·6	6·0	11·5	6·2

[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figures available are the revised provisional estimates for mid-1979.
[2] The boundaries of the standard regions were revised in April 1974.

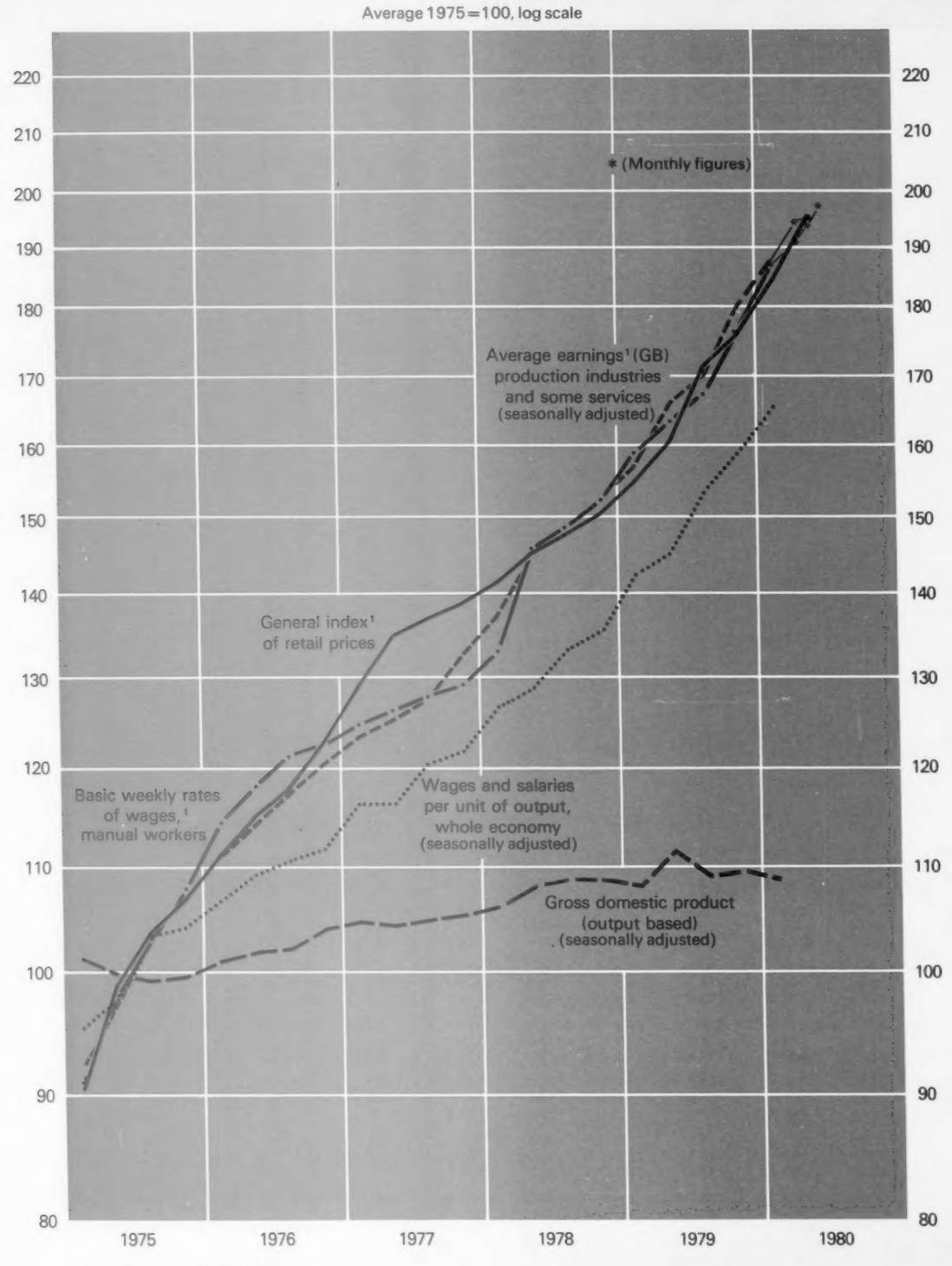
Percentage rates, seasonally adjusted



Wage rates and earnings

	Unadjusted				Seasonally adjusted					
	31 July 1972 =100[1]		January 1976 =100		January 1970 =100				1975 =100	
	Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	New series: whole economy	*Percentage increase on year earlier*	Older series: production industries and some services	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1969	71·7	72·1	..	..	95·2	*7·8*	94·9	*8·1*	45·5	46·3
1970	78·8	79·4	..	..	106·7	*12·1*	107·0	*12·7*	49·8	52·0
1971	89·0	89·3	..	..	118·7	*11·3*	118·9	*11·2*	54·3	56·9
1972	101·3	101·5	..	..	134·0[2]	..[3]	134·2[2]	..[3]	58·9	59·3
1973	115·2	114·6	..	..	152·1	..[3]	151·5	..[3]	62·8	62·6
1974	138·0	134·3	..	..	179·1	*17·8*	177·5	*17·2*	77·5	77·3
1975	178·7	174·4	..	..	226·6	*26·5*	223·8	*26·1*	100·0	100·0
1976	213·2	209·0	106·0	..	261·8	*15·6*	260·7	*16·5*	109·4	113·8
1977	227·3	218·9	115·6	*9·1*	288·5	*10·2*	287·6	*10·3*	118·5	125·7
1978	259·3	258·8	130·6	*13·0*	330·2	*14·5*	329·6	*14·6*	131·1	142·1
1979	298·1	297·5	150·9[4]	*15·5*[4]	381·7[4]	*15·6*[4]	380·9[4]	*15·6*[4]	150·1	
1975 *1*	162·7	155·1	..	..	209·5	*31·6*	207·4	*31·8*	95·0	91·9†
2	175·3	171·9	..	..	220·2	*27·6*	216·8	*26·6*	97·6	98·3
3	184·3	180·5	..	..	234·0	*26·4*	230·7	*25·4*	103·3	103·4
4	192·6	190·1	..	..	242·7	*21·6*	240·6	*21·8*	104·1	106·5
1976 *1*	204·2	201·5	101·0	..	250·7	*19·7*	248·9	*20·0*	106·5	109·9
2	211·5	209·0	105·2	..	258·1	*17·2*	257·6	*18·8*	109·1	111·8
3	217·8	212·5	107·9	..	265·9	*13·6*	265·1	*14·9*	110·3	116·0
4	219·3	213·1	110·1	..	272·7	*12·3*	271·3	*12·8*	111·5	117·6
1977 *1*	223·3	215·7	111·8	*10·7*	280·2	*11·8*	278·6	*11·9*	115·7	120·3
2	225·9	217·9	114·5	*8·8*	284·4	*10·2*	283·2	*9·9*	115·9	124·2
3	228·7	220·2	116·4	*7·9*	289·1	*8·7*	288·2	*8·7*	120·2	126·8
4	231·2	221·7	119·9	*8·9*	300·3	*10·1*	300·3	*10·7*	122·0	131·7
1978 *1*	237·8	226·1	123·1	*10·1*	311·0	*11·1*	311·9	*11·8*	126·9	135·8
2	260·6	263·9	129·9	*13·5*	327·4	*15·2*	326·5	*15·3*	128·9	140·0
3	265·8	267·9	133·2	*14·4*	335·8	*16·1*	334·5	*16·2*	133·0	143·1
4	273·0	277·5	136·4	*13·8*	346·4	*15·3*	345·4	*15·1*	135·6	149·6
1979 *1*	284·9	284·5	140·1	*13·9*	356·7	*14·7*	357·4	*14·6*	142 4	153·1
2	292·2	291·3	147·3	*13·4*	375·4	*14·7*	376·3	*15·3*	145·0	155·3
3	299·9	296·4	154·2[4]	*15·8*[4]	385·8[4]	*14·9*[4]	381·4[4]	*13·9*[4]	153·7	163·0
4	315·3	318·0	161·8	*18·6*	409·0	*18·1*	408·3	*18·2*	159·2	170·0
1980 *1*	334·8	336·5	167·7[5]	*19·7*[5]	425·2[5]	*19·2*[5]	419·1[5]	*17·2*[5]	165·6	178·6
2										
1979 *J*	283·0	283·7	135·7	*11·7*	344·9	*12·4*	345·6	*12·1*	..	153·5†
F	285·2	284·7	141·1	*15·0*	355·9	*14·2*	357·5	*14·5*	..	154·4
M	286·4	285·1	143·7	*14·9*	369·2	*17·4*	369·2	*17·2*	..	151·5
A	289·2	288·6	144·3	*13·5*	367·5	*13·5*	367·2	*13·0*	..	153·1
M	291·2	291·2	146·9	*13·5*	372·8	*14·4*	374·5	*15·3*	..	155·2
J	296·2	294·0	150·9	*13·4*	385·9	*16·0*	387·3	*17·4*	..	157·6
J	298·7	294·6	155·6	*16·5*	387·5	*16·4*	386·6	*16·5*	..	160·4
A	300·2	296·7	153·3[4]	*16·4*[4]	385·2[4]	*15·0*[4]	378·7[4]	*13·5*[4]	..	162·6
S	300·8	297·7	153·6[4]	*14·4*[4]	384·8[4]	*13·3*[4]	378·1[4]	*11·8*[4]	..	165·9
O	303·1	298·4	158·1	*17·0*	401·6	*16·5*	400·2	*16·4*	..	167·7
N	319·4	327·3	162·1	*19·1*	408·3	*18·5*	408·3	*19·0*	..	170·8
D	323·4	328·5	165·1	*19·7*	417·0	*19·2*	416·5	*19·3*	..	171·6
1980 *J*	332·9	335·5	163·0[5]	*20·1*[5]	415·9[5]	*20·6*[5]	410·6[5]	*18·8*[5]	..	174·3
F	335·0	336·6	167·3[5]	*18·6*[5]	424·2[5]	*19·2*[5]	417·4[5]	*16·7*[5]	..	178·2
M	336·9	337·4	172·8[5]	*20·3*[5]	435·5[5]	*17·9*[5]	429·3[5]	*16·3*[5]	..	183·2
A	341·9	340·6	175·0	*21·3*	439·9	*19·7*	433·4	*18·0*	..	187·7
M	346·9	346·7†	178·1†	*21·2*†	441·7†	*18·5*†	439·4†	*17·4*†	..	
J	355·1†	348·5	183·6[6]	*21·7*[6]	458·3[6]	*18·8*[6]	454·5[6]	*17·4*[6]	..	
J	355·7	348·9							..	
A									..	
S									..	

[1] Prior to July 1972 the series was based on 31 January 1956 =100. Figures before July 1972 have therefore been linked.
[2] Average of 11 months. See footnote[3].
[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.
[4] These figures are affected by the industrial dispute in the engineering industries.
[5] Because of the dispute in the steel industry insufficient information is available to enable a reliable index for 'metal manufacture' to be calculated for this month but the best possible estimate has been used in the compilation of the indices for 'all manufacturing' and 'all industries and services covered'.
[6] Provisional.



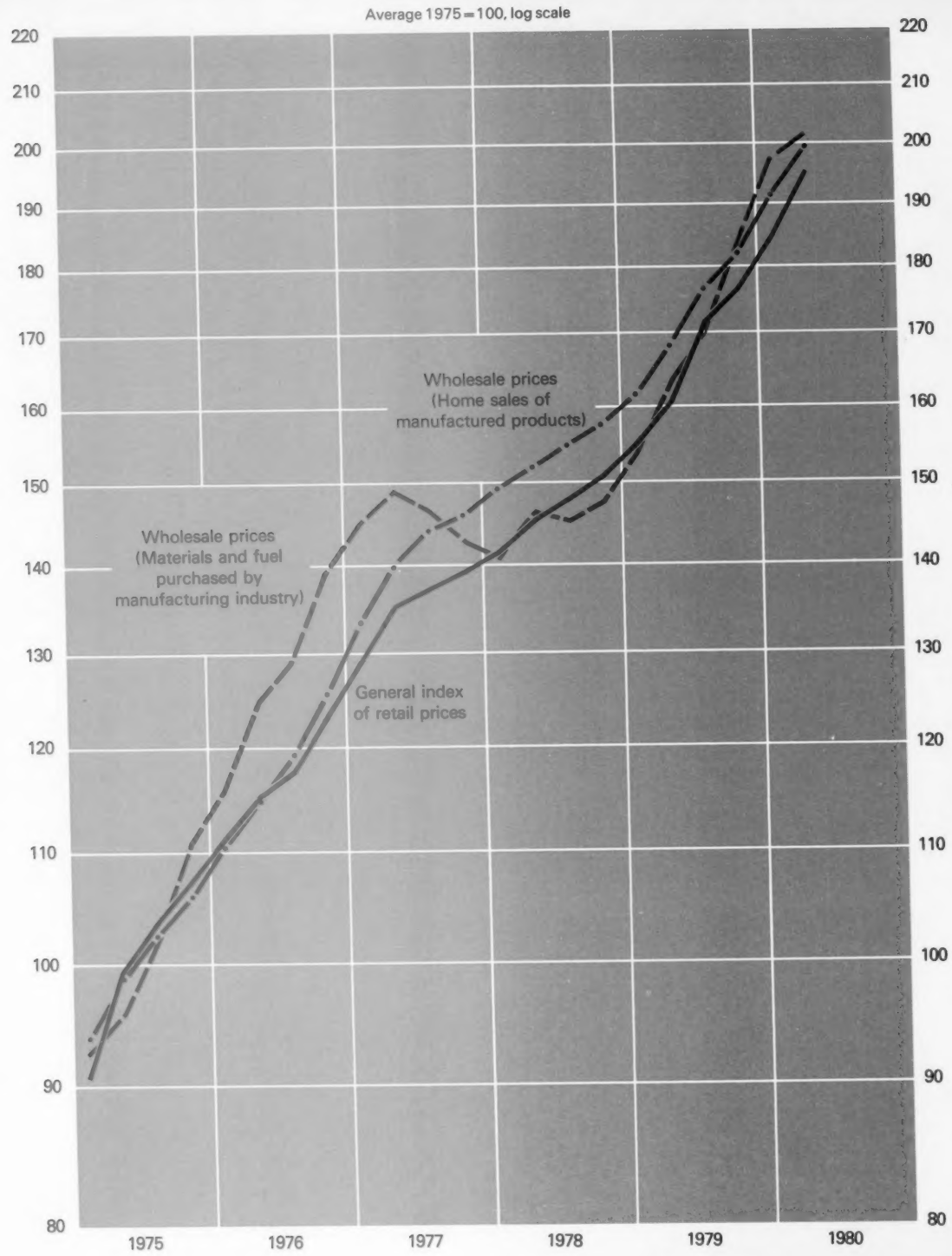
[1] Quarterly average of monthly figures.

Prices

Unadjusted

	Average 1975=100										Average 1975=100 p
	Wholesale prices index		General index of retail prices						Pensioner price index[1]		
	Materials and fuel purchased by manufacturing industry[2]	Output All manufactured products Home sales[3]	All items Index	All items *Percentage increase on year earlier*	Total food	Total non-food	All items other than seasonal food Index	All items other than seasonal food *Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1969	38·7	50·5	51·0	*5·4*	45·3	53·1	51·5	*5·2*	49·2	49·5	196
1970	40·7	54·1	54·2	*6·4*	48·5	56·3	54·8	*6·5*	52·7	52·8	184
1971	42·5	59·0	59·3	*9·4*	53·9	61·4	60·0	*9·5*	58·0	58·0	169
1972	44·4	62·1	63·6	*7·1*	58·6	65·3	64·1	*6·9*	62·4	62·3	157
1973	58·8	66·7	69·4	*9·2*	67·5	70·1	69·4	*8·3*	68·4	68·7	144
1974	86·8	81·8	80·5	*16·1*	79·6	80·8	80·5	*16·0*	79·5	79·8	124
1975	100·0	100·0	100·0	*24·2*	100·0	100·0	100·0	*24·2*	100·0	100·0	100
1976	127·0	117·3	116·5	*16·5*	120·0	115·6	115·8	*15·8*	119·1	118·8	86
1977	145·6	140·5	135·0	*15·8*	142·8	132·8	134·3	*16·0*	139·1	138·7	74
1978	144·6	153·3	146·2	*8·3*	152·9	144·3	146·5	*9·0*	150·4	149·8	68
1979	167·6	172·0	165·8	*13·4*	171·3	164·3	165·9	*13·3*	168·0	167·6	60
1975 *3*	101·8	102·1	103·4	*26·5*	102·5	103·7	103·4	*26·3*	103·1	103·3	97
4	110·5	105·7	107·0	*25·3*	106·1	107·3	106·9	*25·0*	107·4	107·3	93
1976 *1*	115·4	110·3	110·9	*22·5*	113·6	110·1	110·1	*21·3*	112·8	112·6	90
2	124·6	114·5	114·9	*16·0*	117·7	114·1	113·9	*15·1*	117·3	116·9	87
3	128·9	119·2	117·6	*13·7*	119·1	117·1	117·3	*13·4*	119·6	119·2	85
4	138·9	125·2	123·0	*15·0*	129·6	121·0	122·0	*14·0*	126·9	126·4	81
1977 *1*	144·8	133·0	129·2	*16·5*	138·6	126·4	127·7	*16·1*	132·6	132·9	77
2	148·8	139·6	134·9	*17·4*	143·3	132·5	133·6	*17·3*	138·4	138·4	74
3	146·5	143·8	137·0	*16·5*	144·1	135·0	136·8	*16·7*	141·6	140·7	73
4	142·2	145·8	139·0	*13·0*	145·0	137·3	139·3	*14·2*	143·9	142·9	72
1978 *1*	140·2	149·2	141·4	*9·5*	148·0	139·5	141·6	*10·8*	146·3	145·5	71
2	146·3	151·8	145·3	*7·6*	152·9	143·1	145·2	*8·6*	150·0	149·3	69
3	144·9	154·8	147·8	*7·9*	154·7	145·9	148·2	*8·3*	151·9	151·3	68
4	147·1	157·3	150·3	*8·1*	156·0	148·6	150·8	*8·3*	153·4	153·0	67
1979 *1*	153·4	161·6	155·0	*9·6*	164·2	152·4	154·7	*9·3*	159·2	158·5	65
2	163·3	168·0	160·7	*10·6*	168·9	158·3	160·2	*10·4*	163·4	162·9	62
3	169·9	176·4	171·4	*16·0*	173·9	170·6	171·9	*16·0*	171·8	171·7	58
4	183·9	181·8	176·2	*17·3*	178·0	175·7	176·7	*17·2*	177·6	177·2	57
1980 *1*	197·2	191·4	184·6	*19·1*	185·7	184·1	184·8	*19·5*	185·7	184·9	54
2	201·3[5]†	199·1[5]†	195·3	*21·5*	192·0	196·1	195·8	*22·3*	194·1	193·5	51
1979 *J*	151·8	160·0	153·7	*9·3*	163·2	151·0	153·4	*9·0*	..	..	65
F	153·3	161·7	155·0	*9·6*	164·1	152·4	154·8	*9·3*	..	..	65
M	155·2	163·2	156·2	*9·8*	165·2	153·7	155·9	*9·5*	..	..	64
A	160·6	165·5	158·9	*10·1*	166·2	156·8	158·4	*9·7*	..	..	63
M	162·8	167·7	160·2	*10·3*	168·0	157·9	159·8	*10·1*	..	..	62
J	166·6	170·9	162·9	*11·4*	172·5	160·2	162·4	*11·3*	..	..	61
J	168·1	174·8	170·0	*15·6*	173·4	169·0	170·3	*15·8*	..	..	59
A	169·1	176·3	171·3	*15·8*	173·9	170·4	171·8	*15·8*	..	..	58
S	172·5	178·2	173·0	*16·5*	174·5	172·5	173·6	*16·5*	..	..	58
O	178·1	180·3	174·8	*17·2*	176·1	174·4	175·4	*17·1*	..	..	57
N	186·0	181·6	176·3	*17·4*	177·8	175·9	176·8	*17·2*	..	..	57
D	187·5	183·4	177·6	*17·2*	180·0	176·9	178·0	*17·3*	..	..	56
1980 *J*	193·5	188·5	182·0	*18·4*	183·6	181·4	182·2	*18·8*	..	..	55
F	197·6	191·5	184·6	*19·1*	185·1	184·3	184·9	*19·5*	..	..	54
M	200·4	194·3	187·1	*19·8*	188·4	186·6	187·4	*20·2*	..	..	53
A	202·3	197·0	193·5	*21·8*	190·6	194·2	193·9	*22·4*	..	..	52
M	200·4†	199·0†	195·3	*21·9*	191·8	196·1	195·9	*22·6*	..	..	51
J	201·1[5]	201·2[5]	197·1	*21·0*	193·5	198·0	197·7	*21·7*	..	..	51
J	201·9[5]	203·1[5]	198·7	*16·9*	195·0	199·6	199·3	*17·0*	..	..	50
A									..	..	
S									..	..	

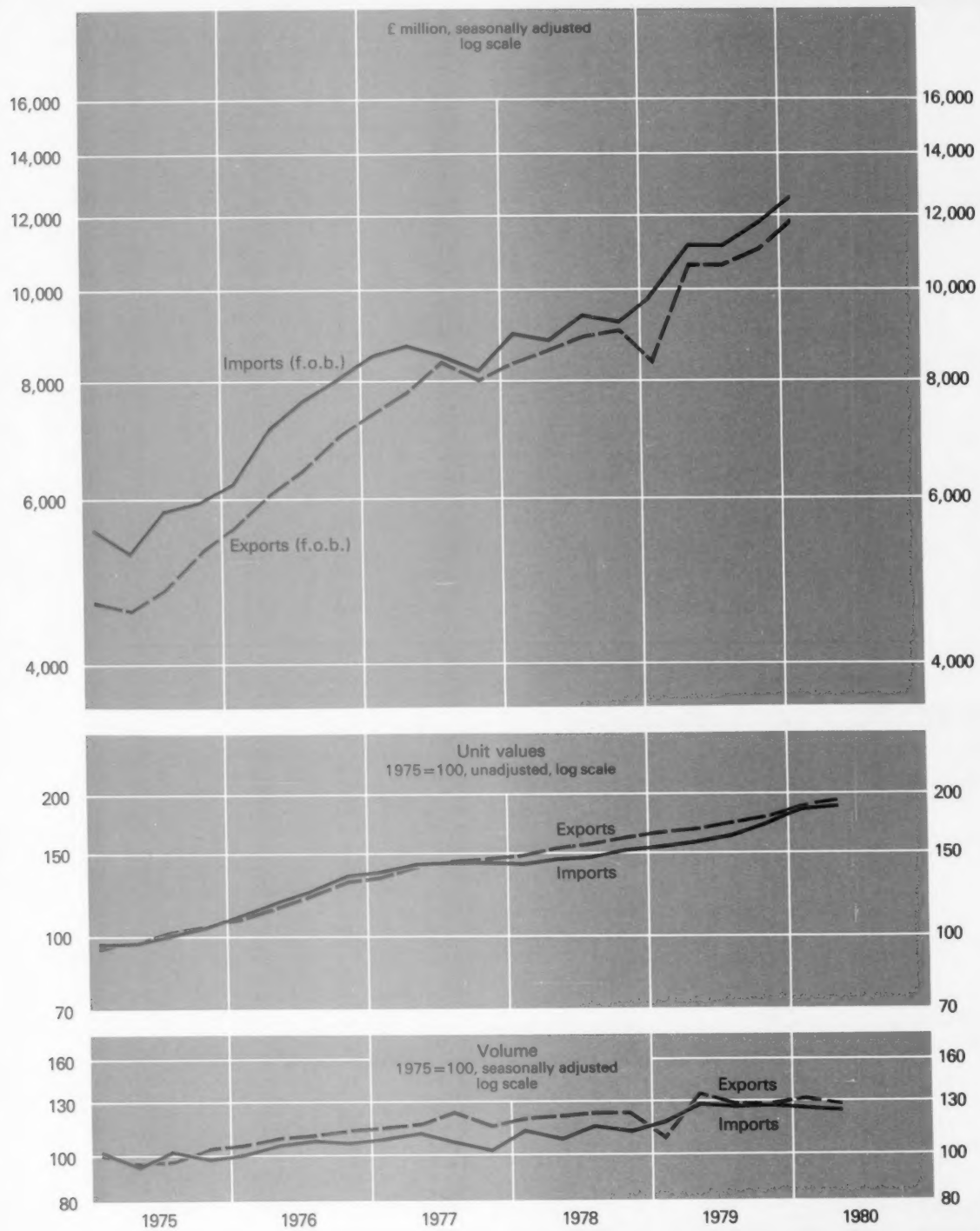
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.
[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.
[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1975 = 100, log scale
220
210
200
190
180
170
160
150
140
130
120
110
100
90
80
Wholesale prices
(Home sales of
manufactured products)
Wholesale prices
(Materials and fuel
purchased by
manufacturing industry)
General index
of retail prices
1975
1976
1977
1978
1979
1980

Visible trade

	Seasonally adjusted		Unadjusted			
	1975=100		1975=100			1975=100
	Volume indices[1]		Unit value indices[1]			World commodity prices index[3]
	Exports	Imports	Exports	Imports	Terms of trade[2]	
1969	77·8	77·1	47·6	41·1	115·9	30
1970	81·1	81·8	50·8	42·8	118·8	31
1971	85·9	85·5	53·7	44·8	119·8	33
1972	85·6	95·2	56·8	46·9	121·1	36
1973	97·2	108·4	64·0	60·0	106·8	54
1974	104·2	109·5	81·6	87·7	93·1	99
1975	100·0	100·0	100·0	100·0	100·0	100
1976	109·9	105·9	119·6	122·1	98·0	130
1977	118·4	107·9	141·5	141·4	100·1	149
1978	121·5	112·6	155·1	147·0	105·5	138
1979	125·9	125·7	171·9	162·3	105·9	161
1975 *1*	100·9	102·1	95·2	96·5	98·7	95
2	97·1	95·7	97·5	97·1	100·4	94
3	98·0	102·4	101·6	100·8	100·8	102
4	104·0	99·8	105·7	105·6	100·1	111
1976 *1*	106·4	100·4	109·6	110·3	99·3	115
2	109·8	106·6	115·8	118·9	97·4	129
3	110·2	108·8	122·8	124·9	98·3	135
4	113·1	107·6	130·3	134·2	97·1	145
1977 *1*	115·4	109·5	134·9	137·1	98·4	152
2	117·2	111·2	140·6	140·8	99·8	155
3	124·1	107·9	144·3	143·5	100·6	149
4	116·9	102·9	146·4	143·9	101·7	142
1978 *1*	120·1	113·6	149·2	142·1	105·0	136
2	121·0	109·1	153·3	146·7	104·5	143
3	122·5	115·0	157·2	148·3	106·1	138
4	122·5	112·9	160·7	151·0	106·5	138
1979 *1*	109·0	116·9	165·8	154·9	107·0	141
2	135·3	128·9	169·1	158·9	106·4	153
3	129·8	128·1	173·6	162·6	106·8	162
4	129·3	128·9	179·1	172·8	103·7	185
1980 *1*	131·3	126·5	187·3	186·0	100·7	205
2	129·2	124·8	191·9	187·4	102·4	207[5]
1978 *O*	122·7	110·3	159·4	150·5	105·9	136
N	121·1	114·7	161·1	150·6	106·9	138
D	123·6	113·6	161·7	151·8	106·5	137
1979 *J*	109·6	105·8	163·3	152·7	106·9	141
F	99·8	116·9	166·6	154·3	107·9	143
M	117·7	128·0	167·5	157·6	106·3	142
A	138·7	130·9	168·6	156·6	107·6	150
M	135·2	129·1	168·5	158·6	106·2	154
J	131·9	126·6	170·3	161·5	105·5	161
J	131·6	126·9	173·0	160·0	108·1	161
A	128·6	129·8	173·2	162·3	106·7	162
S	129·3	127·5	174·5	165·5	105·5	166
O	124·7	129·7	177·2	169·8	104·4	174
N	131·8	125·8	179·6	172·5	104·1	190
D	131·3	131·2	180·5	176·0	102·6	192
1980 *J*	129·8	128·0	185·2	183·6	100·9	201
F	136·5	128·9	187·3	186·2	100·6	202
M	127·7	122·7	189·4	188·3	100·6	209[4]
A	127·2	127·6	191·0	187·7	101·8	214[4†]
M	130·2	121·4	191·2	187·4	102·0	211[4]
J	130·3	125·3	193·6	187·2	103·4	206[5]
J	129·8	118·5	194·8	187·7	103·8	
A						
S						

[1] On a balance of payments basis.
[2] Unit value index for exports expressed as a percentage of unit value index for imports.
[3] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.
[4] Provisional. [5] Projection by the Department of Industry.


£ million, seasonally adjusted
log scale
16,000
14,000
12,000
10,000
8,000
6,000
4,000
Imports (f.o.b.)
Exports (f.o.b.)
Unit values
1975=100, unadjusted, log scale
200
150
100
70
Exports
Imports
Volume
1975=100, seasonally adjusted
log scale
160
130
100
80
Exports
Imports
1975
1976
1977
1978
1979
1980

Measures of UK trade competitiveness

1975 =100

	Summary measures[1]					Export unit value index for manufactures[3]				
	Relative export prices[2]	Relative wholesale prices[2]	Relative normal unit labour costs[2]	Import price competitiveness	Relative profitability of exports	United Kingdom	United States	Japan	France	Federal Republic of Germany
1975	100·0	100·0	100·0	100·0	100·0	100·0	100	100	100	100
1976	97·1	93·8	91·9	96·3	101·2	97·4	107	99	98	102
1977	102·1	99·9	87·1	97·4	102·8	112·0	112	108	105	110
1978	108·4	103·1	93·3†	98·9	102·6	136·6	121	131	121	131
1979	115·8[4]	113·7	106·8	103·4	99·6	164·8	140	141	141	147
1977 *1*	97·6	96·1	87·0†	96·1	103·1	104·8	110	110	102	109
2	101·4	99·0	85·7	97·1	102·8	109·2	111	107	103	110
3	102·8	101·0	86·1	97·5	102·8	113·2	113	110	107	112
4	106·6	103·6	89·5	98·8	102·3	120·7	116	115	109	117
1978 *1*	110·7	107·1	93·8	100·6	101·9	131·5	117	118	113	125
2	104·7	100·8	91·2	98·5	101·9	128·5	118	134	119	125
3	108·1	102·2	93·5	98·4	103·3	139·1	121	142	126	131
4	110·1	102·3	94·7	98·2	103·2	147·2	126	143	129	140
1979 *1*	111·2	105·1	97·1	99·5	102·4	152·7	134	142	134	143
2	115·1	112·6	106·0	103·4	99·7	158·9	139	140	136	140
3	119·9[4]	120 4	111·8	106·8	98·8	173·8	141	145	144	148
4	116·9[4]	117·0	112·2	104·0	97·8	174·0	145	141	149	155
1980 *1*			119·8	102·1[4]	97·4†	188·9	146	147		157
2				108·2[4]	97·1[4]					
	Percentage change, quarter on corresponding quarter of previous year.									
1978 *1*	*+13·4*	*+11·4*	*+ 7·8†*	*+ 4·7*	*− 1·2*	*+25·5*	*+6*	*+ 7*	*+11*	*+15*
2	*+ 3·3*	*+ 1·8*	*+ 6·4*	*+ 1·4*	*− 0·9*	*+17·7*	*+6*	*+25*	*+16*	*+14*
3	*+ 5·2*	*+ 1·2*	*+ 8·6*	*+ 0·9*	*+ 0·5*	*+22·9*	*+7*	*+29*	*+18*	*+17*
4	*+ 3·3*	*− 1·3*	*+ 5·8*	*− 0·6*	*+ 0·9*	*+22·0*	*+9*	*+24*	*+18*	*+20*
1979 *1*	*+ 0·5*	*− 1·9*	*+ 3·5*	*− 1·1*	*+ 0·5*	*+16·1*	*+15*	*+20*	*+19*	*+14*
2	*+ 9·9*	*+11·7*	*+16·2*	*+ 5·0*	*− 2·2*	*+23·7*	*+17*	*+ 4*	*+14*	*+12*
3	*+10·9*	*+17·8*	*+19·6*	*+ 8·5*	*− 4·4*	*+24·9*	*+18*	*+ 2*	*+14*	*+13*
4	*+ 6·2*	*+14·4*	*+18·5*	*+ 5·9*	*− 5·2*	*+18·2*	*+15*	*− 1*	*+16*	*+11*
1980 *1*			*+23·4*	*+ 2·6*	*− 4·9*	*+23·7*	*+9*	*+ 4*		*+10*
2				*+ 4·6*	*− 2·6*					

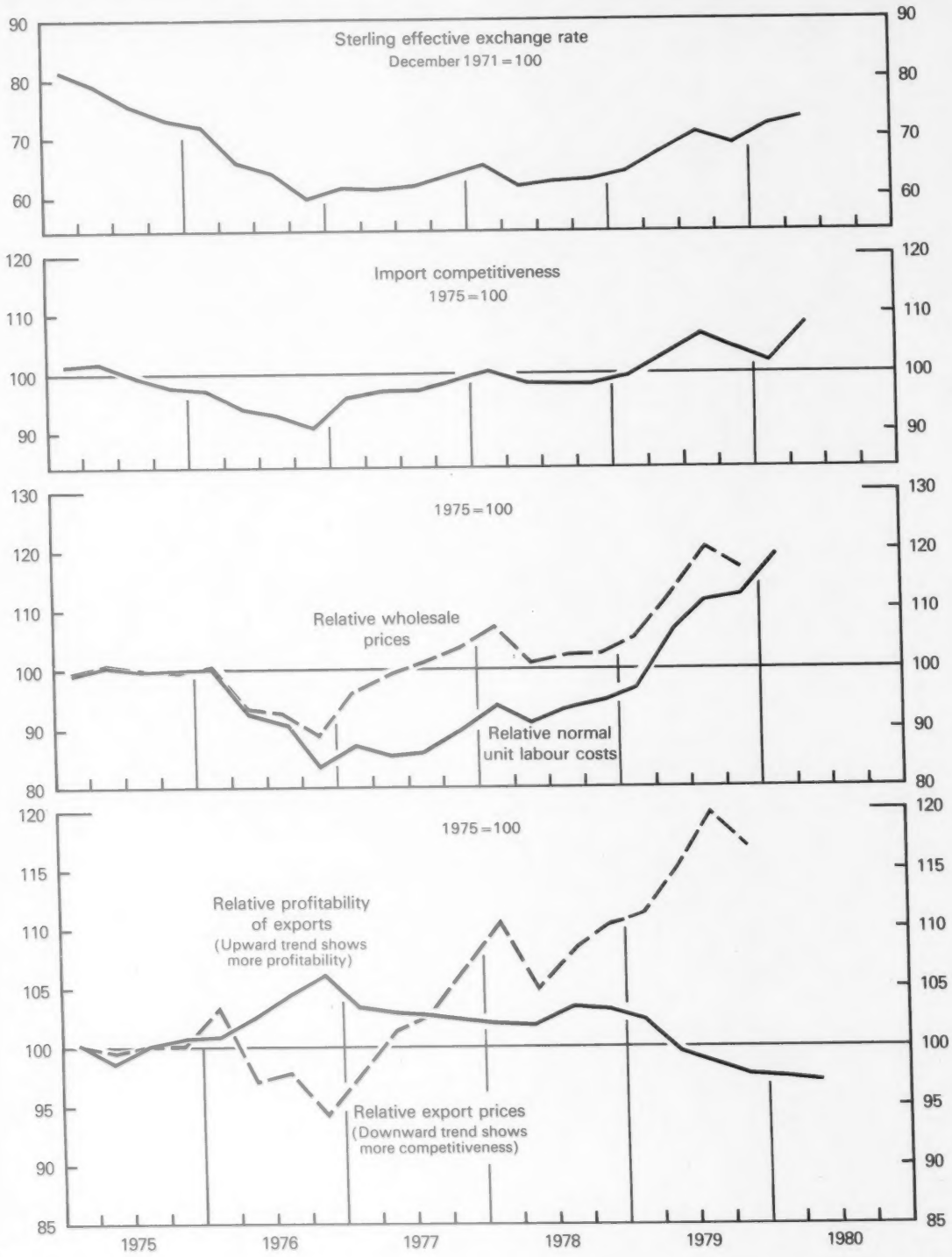
	Wholesale price index[3]					Unit labour costs index[3]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom	United States	Japan	France	Federal Republic of Germany
1975	100·0	100·0	100·0	100·0	100·0	100	100	100	100	100
1976	95·3	104·6	104·9	96·5	101·4	92	101	100	94	96
1977	110·8	111·2	117·8	100·6	112·8	99	108	115	100	108
1978	132·8	119·4	148·5	119·8	132·2	123	115	144	117	129
1979	164·8	133·8	150·2	140·6	152·2	153	123	135	132	144
1977 *1*	102·9	108·4	110·6	96·1	108·8	93	106	106	94	102
2	108·3	111·0	114·8	99·0	111·1	96	107	112	98	106
3	112·6	111·9	118·5	102·0	113·6	99	108	117	102	109
4	119·4	113·3	127·1	105·3	117·9	108	110	126	106	115
1978 *1*	129·8	115·5	131·5	108·7	126·9	118	114	129	108	122
2	125·7	118·3	141·5	115·5	127·5	116	114	137	112	127
3	135·0	120·5	159·9	124·9	132·3	124	114	155	122	129
4	140·9	123·3	161·0	130·0	142·4	133	116	156	125	139
1979 *1*	147·0	127·1	154·8	133·9	146·3	139	120	147	130	143
2	157·7	131·4	147·8	134·3	145·9	145†	122	135	128	136
3	177·7	135·8	153·0	144·3	154·8	164	123	134	129[4]	145
4	177·1	140·7	145·0	150·1	161·8	165	126	122	140[4]	150
1980 *1*						181	129	117	137[4]	
	Percentage change, quarter on corresponding quarter of previous year.									
1978 *1*	*+26·1*	*+ 6·5*	*+18·9*	*+13·1*	*+16·6*	*+27*	*+8*	*+22*	*+15*	*+20*
2	*+16·1*	*+ 6·6*	*+23·3*	*+16·7*	*+14·8*	*+21*	*+7*	*+22*	*+14*	*+20*
3	*+19·9*	*+ 7·7*	*+34·9*	*+22·5*	*+16·5*	*+25*	*+6*	*+32*	*+20*	*+18*
4	*+18·0*	*+ 8·8*	*+26·7*	*+23·5*	*+20·8*	*+23*	*+5*	*+24*	*+18*	*+21*
1979 *1*	*+13·3*	*+10·0*	*+17·7*	*+23·2*	*+15·3*	*+18*	*+5*	*+14*	*+20*	*+17*
2	*+25·5*	*+11·1*	*+ 4·5*	*+16·3*	*+14·4*	*+25*	*+7*	*− 1*	*+14*	*+ 7*
3	*+31·6*	*+12·7*	*− 4·3*	*+15·5*	*+17·0*	*+32*	*+8*	*−14*	*+ 6*	*+12*
4	*+25·7*	*+14·1*	*− 9·9*	*+15·5*	*+13·6*	*+24*	*+9*	*−22*	*+12*	*+ 8*
1980 *1*						*+30*	*+8*	*−20*	*+ 5*	

[1] The summary measures of competitiveness were described in *Economic Trends* No. 304, February 1979. Revised measures of import price competitiveness and relative profitability of exports were described in an article in *Economic Trends*, No. 319, May 1980

[2] Downward movements indicate greater competitiveness.

[3] All the indices are in terms of US dollars.

[4] Provisional.


Sterling effective exchange rate
December 1971 = 100
Import competitiveness
1975 = 100
1975 = 100
Relative wholesale prices
Relative normal unit labour costs
1975 = 100
Relative profitability of exports
(Upward trend shows more profitability)
Relative export prices
(Downward trend shows more competitiveness)
1975
1976
1977
1978
1979
1980

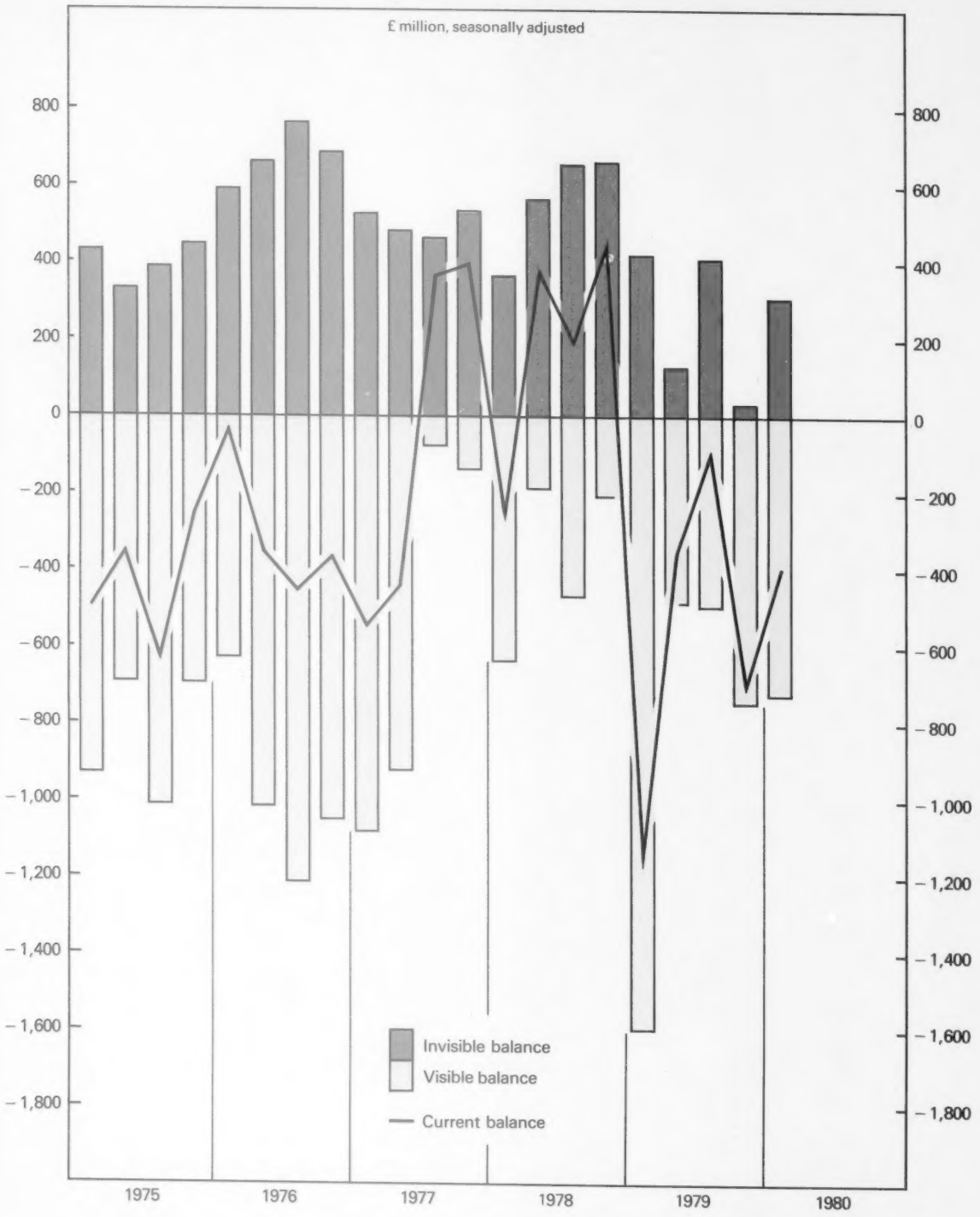
Balance of payments: current account

Seasonally adjusted

£ million

	Visible trade			Invisibles						
						Balance				
	Exports (f.o.b.) §	Imports (f.o.b.) §	Balance	Credits	Debits	Total	Services	IPD	Transfers	Current balance
1969	7,269	7,478	− 209	4,387	3,706	+ 681	+ 402	+ 500	− 221	+ 472
1970	8,151	8,183	− 32	5,078	4,264	+ 814	+ 449	+ 559	− 194	+ 782
1971	9,043	8,853	+ 190	5,640	4,757	+ 883	+ 584	+ 510	− 211	+1,073
1972	9,423	10,184	− 761	6,221	5,298	+ 923	+ 648	+ 538	− 263	+ 162
1973	11,937	14,523	−2,586	8,386	6,888	+1,498	+ 696	+1,260	− 458	−1,088
1974	16,395	21,745	−5,350	10,331	8,408	+1,923	+ 941	+1,423	− 441	−3,427
1975	19,330	22,663	−3,333	11,239	9,638	+1,601	+1,349	+ 762	− 510	−1,732
1976	25,193	29,104	−3,911	14,638	11,929	+2,709	+2,207	+1,299	− 797	−1,202
1977	31,734	33,973	−2,239	16,416	14,401	+2,015	+2,960	+ 201	−1,146	− 224
1978	35,071	36,564	−1,493	18,597	16,340	+2,257	+3,345†	+ 823†	−1,911	+ 764
1979	40,689	44,001	−3,312	21,600	20,607	+ 993	+3,274	+ 153	−2,434	−2,319
1974 *3*	4,360	5,640	−1,280	2,567	2,064	+ 503	+ 286	+ 316	− 99	− 777
4	4,342	5,731	−1,389	2,662	2,231	+ 431	+ 251	+ 310	− 130	− 958
1975 *1*	4,660	5,591	− 931	2,743	2,309	+ 434	+ 321	+ 187	− 74	− 497
2	4,577	5,269	− 692	2,717	2,383	+ 334	+ 340	+ 147	− 153	− 358
3	4,819	5,832	−1,013	2,792	2,408	+ 384	+ 326	+ 181	− 123	− 629
4	5,274	5,971	− 697	2,987	2,538	+ 449	+ 362	+ 247	− 160	− 248
1976 *1*	5,608	6,237	− 629	3,297	2,706	+ 591	+ 518	+ 266	− 193	− 38
2	6,105	7,121	−1,016	3,537	2,870	+ 667	+ 514	+ 332	− 179	− 349
3	6,447	7,662	−1,215	3,807	3,044	+ 763	+ 603	+ 357	− 197	− 452
4	7,033	8,084	−1,051	3,997	3,309	+ 688	+ 572	+ 344	− 228	− 363
1977 *1*	7,428	8,508	−1,080	3,981	3,447	+ 534	+ 671	+ 106	− 243	− 546
2	7,827	8,750	− 923	4,061	3,580	+ 481	+ 765	+ 1	− 285	− 442
3	8,423	8,520	− 97	4,171	3,708	+ 463	+ 759	+ 37	− 333	+ 366
4	8,056	8,195	− 139	4,203	3,666	+ 537	+ 765	+ 67	− 285	+ 398
1978 *1*	8,390	9,023	− 633	4,338	3,971	+ 367	+ 782	+ 125	− 540	− 266
2	8,676	8,862	− 186	4,531	3,963	+ 568	+ 727	+ 277	− 436	+ 382
3	8,933	9,401	− 468	4,816	4,157	+ 659	+ 920	+ 249	− 510	+ 191
4	9,072	9,278	− 206	4,912	4,249	+ 663	+ 916†	+ 172	− 425	+ 457
1979 *1*	8,373	9,961	−1,588	4,986	4,566	+ 420	+ 748	+ 225	− 553	−1,168
2	10,658	11,144	− 486	5,167	5,038	+ 129	+ 758	− 55	− 574	− 357
3	10,641	11,134	− 493	5,671	5,261	+ 410	+ 892	+ 172	− 654	− 83
4	11,017	11,762	− 745	5,776	5,742	+ 34	+ 876	− 189	− 653	− 711
1980 *1*	11,832	12,555	− 723	5,966	5,660	+ 306	+ 872	− 8	− 558	− 417
2										
1979 *J*	2,740	2,926	− 186	..	..	+ 140[1]	..	..	..	− 46
F	2,577	3,323	− 746	..	..	+ 140[1]	..	..	..	− 602
M	3,056	3,712	− 656	..	..	+ 140[1]	..	..	..	− 516
A	3,609	3,754	− 145	..	..	+ 43[1]	..	..	..	− 102
M	3,535	3,718	− 183	..	..	+ 43[1]	..	..	..	− 140
J	3,514	3,672	− 158	..	..	+ 43[1]	..	..	..	− 115
J	3,575	3,631	− 56	..	..	+ 136[1]	..	..	..	+ 80
A	3,517	3,743	− 226	..	..	+ 137[1]	..	..	..	− 89
S	3,549	3,760	− 211	..	..	+ 137[1]	..	..	..	− 74
O	3,484	3,902	− 418	..	..	+ 12[1]	..	..	..	− 406
N	3,760	3,835	− 75	..	..	+ 11[1]	..	..	..	− 64
D	3,773	4,025	− 252	..	..	+ 11[1]	..	..	..	− 241
1980 *J*	3,876	4,191	− 315	..	..	+ 102[1]	..	..	..	− 213
F	4,122	4,354	− 232	..	..	+ 102[1]	..	..	..	− 130
M	3,834	4,010	− 176	..	..	+ 102[1]	..	..	..	− 74
A	3,885	4,149	− 264	..	..	+ 50[2]	..	..	..	− 214
M	3,973	3,991	− 18	..	..	+ 50[2]	..	..	..	+ 32
J	4,010	4,027	− 17	..	..	+ 50[2]	..	..	..	+ 33
J	4,032	3,771	+ 261	..	..	+ 50[2]	..	..	..	+ 311
A				..	..		..	..	..	
S				..	..		..	..	..	

[1] One third of the appropriate calendar quarter's estimate; monthly figures of invisibles are not available.
[2] These figures are projections and are subject to revision as the relevant statistical information becomes available.

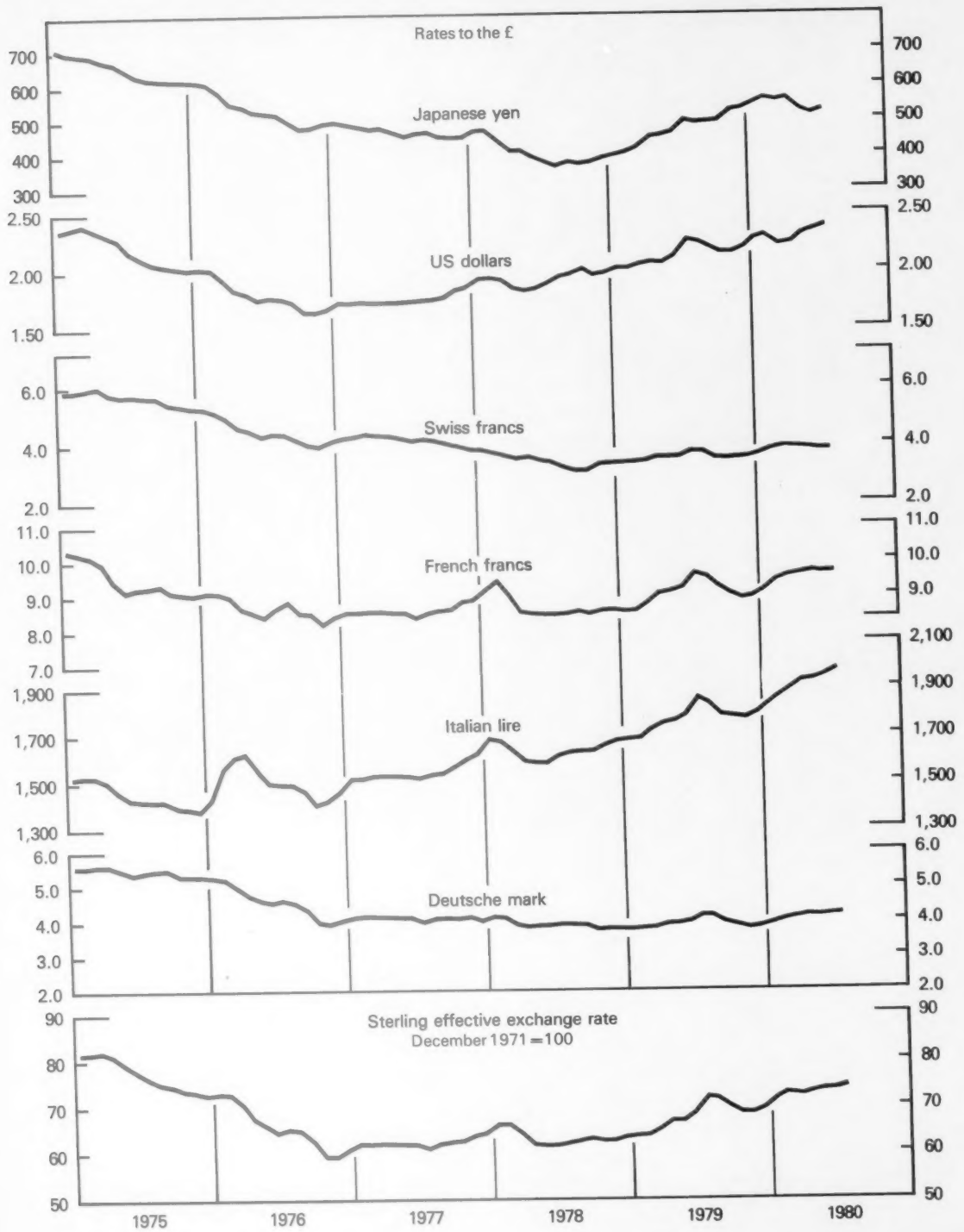

£ million, seasonally adjusted
800
600
400
200
0
−200
−400
−600
−800
−1,000
−1,200
−1,400
−1,600
−1,800
Invisible balance
Visible balance
Current balance
1975
1976
1977
1978
1979
1980

Sterling exchange rates and UK official reserves

	Sterling exchange rate against major currencies[1]						$ million	Dec 1971 =100
	Japanese yen	US dollars	Swiss francs	French francs	Italian lire	Deutsche-marks	UK official reserves[2] (at end of period)	Sterling effective exchange rate
1969	..	2·390	10·308	12·43	1,499	9·379	2,528	99·9
1970	857·8	2·396	10·327	13·24	1,502	8·736	2,827	98·9
1971	844·6	2·444	10·069	13·46	1,511	8·530	6,582	98·8
1972	752·3	2·502	9·554	12·62	1,460	7·975	5,646	95·2
1973	664·6	2·453	7·758	10·90	1,426	6·540	6,476	86·3
1974	682·7	2·340	6·965	11·25	1,522	6·049	6,789	83·6
1975	658·1	2·220	5·723	9·50	1,447	5·447	5,429	77·2
1976	535·4	1·805	4·521	8·61	1,497	4·552	4,129	65·4
1977	467·7	1·746	4·189	8·57	1,540	4·050	20,557	62·1
1978	402·7	1·920	3·423	8·64	1,628	3·850	15,694	63·0
1979	465·6	2·122	3·525	9·03	1,762	3·887	22,538	67·8
1975 *3*	634·5	2·130	5·674	9·26	1,415	5·428	5,859	75·2
4	620·1	2·044	5·414	9·03	1,387	5·304	5,429	73·0
1976 *1*	603·6	1·998	5·151	9·04	1,530	5·142	5,905	72·0
2	539·8	1·805	4·504	8·49	1,554	4·619	5,312	65·8
3	514·0	1·766	4·380	8·67	1,483	4·473	5,158	64·1
4	484·8	1·651	4·038	8·23	1,424	3·977	4,129	59·6
1977 *1*	488·7	1·714	4·324	8·53	1,514	4·107	9,618	61·8
2	473·0	1·719	4·315	8·51	1,523	4·059	11,572	61·6
3	461·8	1·735	4·160	8·49	1,532	4·005	17,171	61·8
4	447·4	1·813	3·962	8·76	1,592	4·032	20,557	63·3
1978 *1*	458·3	1·928	3·720	9·17	1,662	4·000	20,320	65·4
2	404·6	1·835	3·516	8·45	1,583	3·809	16,542	61·5
3	372·2	1·932	3·241	8·46	1,617	3·875	16,511	62·4
4	377·2	1·984	3·222	8·51	1,649	3·718	15,694	62·7
1979 *1*	406·3	2·016	3·375	8·61	1,691	3·740	21,947	64·0
2	453·1	2·081	3·565	9·11	1,762	3·944	22,070	67·4
3	488·6	2·234	3·657	9·46	1,825	4·059	22,692	71·0
4	513·7	2·157	3·505	8·94	1,771	3·810	22,538	68·8
1980 *1*	548·5	2·254	3·740	9·34	1,857	3·995	26,963	72·2
2	528·6	2·286	3·833	9·61	1,942	4·132	28,172	73·4
1978 *O*	368·6	2·007	3·080	8·45	1,628	3·693	15,971	62·5
N	375·8	1·960	3·276	8·54	1,651	3·732	15,669	62·5
D	388·8	1·984	3·325	8·57	1,671	3·731	15,694	63·2
1979 *J*	396·4	2·006	3·348	8·52	1,677	3·708	16,258	63·5
F	401·6	2·004	3·357	8·56	1,683	3·720	16,617	63·7
M	420·5	2·038	3·420	8·73	1,714	3·790	21,947	65·0
A	447·9	2·073	3·555	9·02	1,748	3·926	21,467	66·9
M	449·6	2·058	3·554	9·08	1,752	3·926	21,532	66·9
J	461·3	2·112	3·585	9·21	1,785	3·977	22,070	68·3
J	493·7	2·260	3·721	9·60	1,854	4·122	23,439	71·9
A	487·4	2·238	3·708	9·52	1,833	4·095	23,245	71·4
S	489·2	2·200	3·532	9·24	1,785	3·950	22,692	69·8
O	493·3	2·145	3·491	9·00	1,770	3·836	22,318	68·4
N	522·5	2·133	3·508	8·87	1,760	3·781	22,237	68·4
D	528·0	2·198	3·517	8·94	1,785	3·813	22,538	69·7
1980 *J*	538·8	2·266	3·612	9·15	1,823	3·907	23,441	71·4
F	558·9	2·290	3·751	9·37	1,854	4·001	23,670	72·8
M	548·2	2·206	3·865	9·51	1,896	4·081	26,963	72·3
A	552·2	2·216	3·855	9·60	1,934	4·142	28,008	72·9
M	525·4	2·304	3·830	9·63	1,942	4·125	28,284	73·6
J	509·2	2·336	3·815	9·60	1,951	4·128	28,172	73·7
J	524·3	2·373	3·812	9·62	1,973	4·145	28,272	74·6
A								
S								

[1] Average of daily Telegraphic Transfer rates in London.

[2] Apart from transactions, the level of official reserves has been affected, since 1970, by changes in the valuation of gold, Special Drawing Rights and convertible currencies. In addition, from July 1972, the official reserves were redefined to include the reserve position in the IMF. Substantial valuation changes at March 1979 and March 1980 increased the level of reserves by $4,493 million and $3,089 million respectively. These valuation changes are described in detail in the footnotes of Table 18 of the quarterly balance of payments articles in the March, June, September and December issues of *Economic Trends*.


Rates to the £
Japanese yen
US dollars
Swiss francs
French francs
Italian lire
Deutsche mark
Sterling effective exchange rate
December 1971 = 100
1975
1976
1977
1978
1979
1980

Money stock

£ million: amounts outstanding

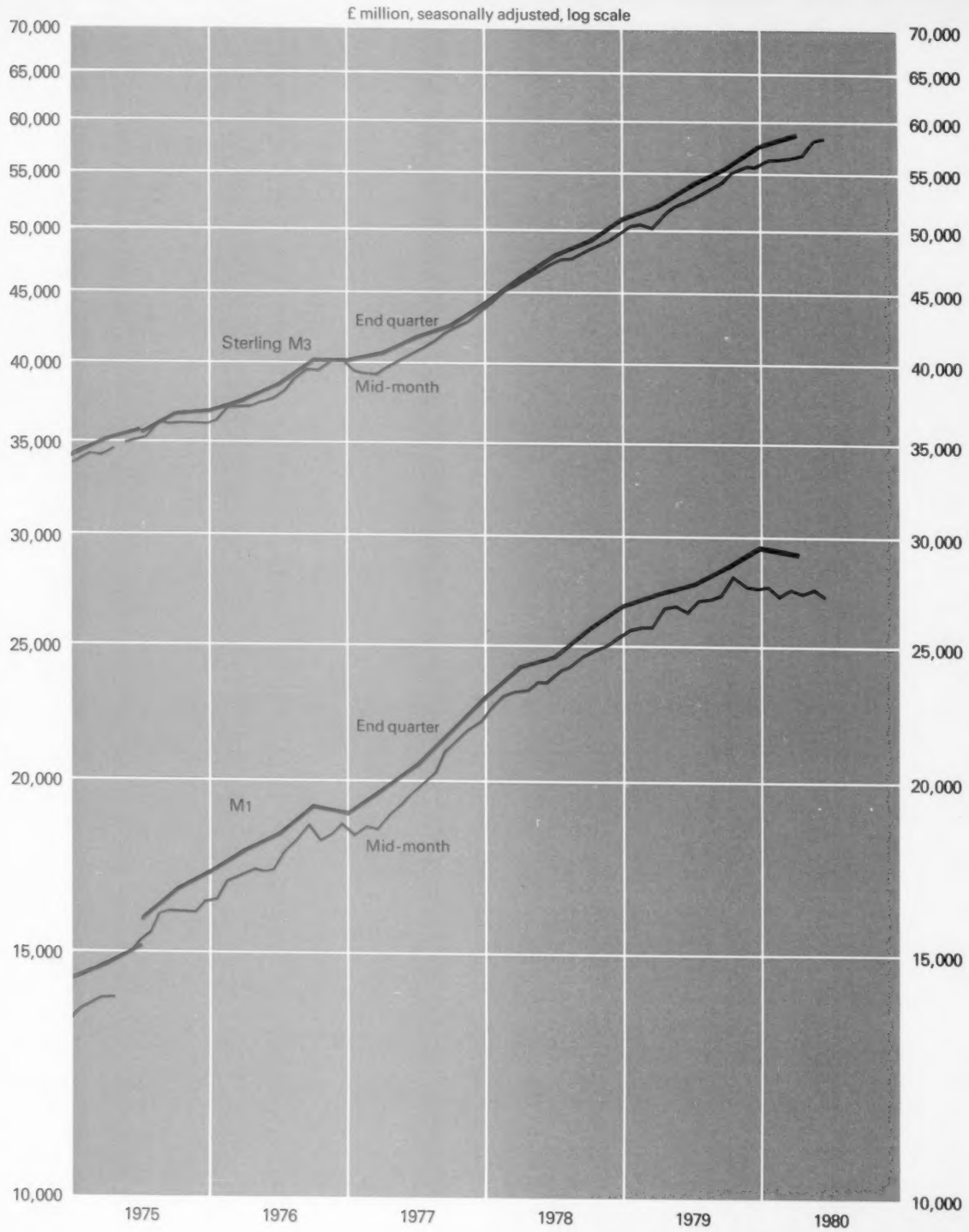
	M_1			Sterling M_3			M_3			Velocity of circulation[1]		
	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change*	M_1	Sterling M_3	M_3
At end period												
1974 *1*	12,690	−334	*−2·6*	32,480	1,065	*+3·4*	34,260	1,406	*+4·3*	5·903	2·376	2·262
2	13,100	409	*+3·2*	32,690	214	*+0·7*	34,870	621	*+1·8*	6·341	2·509	2·365
3	13,450	357	*+2·7*	33,430	745	*+2·3*	35,930	1,065	*+3·1*	6·637	2·665	2·489
4	14,470	1,005	*+7·5*	34,670	1,231	*+3·7*	37,070	1,129	*+3·1*	6·480	2·657	2·479
1975 *1*	14,780	288	*+2·0*	35,220	520	*+1·5*	37,740	641	*+1·7*	6·544	2·739	2·559
2[2]	15,170	386	*+2·6*	35,730	505	*+1·4*	38,080	337	*+0·9*	6·841	2·923	2·735
	15,900			35,710			38,060					
3	16,690	793	*+5·0*	36,900	1,195	*+3·3*	39,690	1,632	*+4·3*	6·690	2·969	2·772
4[3]	17,220	551	*+3·3*	36,980	111	*+0·3*	39,950	293	*+0·7*	6·688	3·069	2·848
1976 *1*	17,880	698	*+4·1*	37,680	702	*+1·9*	40,830	873	*+2·2*	6·793	3·194	2·952
2	18,340	470	*+2·6*	38,690	1,019	*+2·7*	42,260	1,435	*+3·5*	6·720	3·187	2·929
3	19,180	842	*+4·6*	40,320	1,648	*+4·3*	44,350	2,117	*+5·0*	6·761	3·210	2·929
4	18,950	−223	*−1·2*	40,280	− 1	—	44,250	− 66	*−0·1*	6·959	3·292	2·995
1977 *1*	19,700	759	*+4·0*	40,810	566	*+1·4*	45,090	877	*+2·0*	6·932	3·304	2·999
2	20,520	821	*+4·2*	41,950	1,149	*+2·8*	46,620	1,538	*+3·4*	6·938	3·372	3·043
3	21,840	1,325	*+6·5*	42,760	804	*+1·9*	47,170	551	*+1·2*	6·899	3·450	3·116
4[4]	23,090	1,271	*+5·8*	44,340	1,595	*+3·7*	48,610	1,454	*+3·1*	6·708	3·460	3·146
1978 *1*	24,240	1,157	*+5·0*	46,730	2,405	*+5·4*	51,260	2,662	*+5·5*	6·554	3·406	3·106
2	24,660	431	*+1·8*	48,090	1,374	*+2·9*	53,320	2,072	*+4·0*	6·598	3·403	3·085
3	25,790	1,124	*+4·6*	49,260	1,172	*+2·4*	54,190	870	*+1·6*	6·643	3·442	3·117
4	26,940	1,159	*+4·5*	51,080	1,816	*+3·7*	55,980	1,790	*+3·3*	6·507	3·420	3·115
1979 *1*	27,440	493	*+1·8*	52,170	1,069	*+2·1*	56,870	862	*+1·5*	6·354	3·346	3·062
2	27,800	362	*+1·3*	54,230	2,052	*+3·9*	59,390	2,479	*+4·4*	6·753	3·506	3·209
3	28,630	834	*+3·0*	55,740	1,520	*+2·8*	60,590	1,234	*+2·1*	6·901	3·541	3·247
4	29,660	1 040	*+3·6*	57,910	2,192	*+3·9*	63,230	2,662	*+4·4*	6·841	3·508	3·221
1980 *1*	29,300	−305	*−1·0*	58,890	1,064	*+1·8*	64,650	1,515	*+2·4*	6·984	3·526	3·221
2												
At mid-month												
1978 *J*	24,060	523	*+2·2*	47,860	678	*+1·4*	52,770	503	*+1·0*	..	..	..
A	24,360	307	*+1·3*	47,880	—	—	52,370	−415	*−0·8*	..	..	..
S	24,680	322	*+1·3*	48,310	418	*+0·9*	52,840	444	*+0·8*	..	..	..
O	24,910	226	*+0·9*	48,730	407	*+0·8*	53,370	522	*+1·0*	..	..	..
N	25,030	138	*+0·6*	49,090	381	*+0·8*	54,040	690	*+1·3*	..	..	..
D	25,430	408	*+1·6*	49,600	525	*+1·1*	54,450	427	*+0·8*	..	..	..
1979 *J*	25,820	388	*+1·5*	50,500	867	*+1·7*	55.180	700	*+1·3*	..	..	..
F	25,950	134	*+0·5*	50,780	287	*+0·6*	55,630	457	*+0·8*	..	..	..
M	25,960	16	*+0·1*	50,390	−387	*−0·8*	54,970	−665	*−1·2*	..	..	..
A	26,730	772	*+3·0*	51,410	1,015	*+2·0*	55,950	990	*+1·8*	..	..	..
M	26,810	79	*+0·3*	52,190	784	*+1·5*	57,030	1,072	*+1·9*	..	..	..
J	26,510	−295	*−1·1*	52,650	461	*+0·9*	57,720	690	*+1·2*	..	..	..
J	27,110	596	*+2·2*	53,100	449	*+0·9*	57,740	24	—	..	..	..
A	27,230	133	*+0·5*	53,840	751	*+1·4*	58,420	688	*+1·2*	..	..	..
S	27,390	180	*+0·7*	54,180	363	*+0·7*	58,810	414	+0·7	..	..	..
O	28,190	814	*+3·0*	55,160	1,004	*+1·9*	60,070	1,290	*+2·2*	..	..	..
N	27,760	−419	*−1·5*	55,700	547	*+1·0*	61,270	1,203	*+2·0*	..	..	..
D	27,660	− 98	*−0·4*	55,750	42	*+0·1*	61,020†	−258†	*−0·4*	..	..	..
1980 *J*	27,690	49	*+0·2*	56,250	492†	*+0·9*	61,110	87	*+0·1*†	..	..	..
F	27,280	−411†	*−1·5*	56,580†	323	*+0·6*†	61,660	539	*+0·9*	..	..	
M	27,570	304	*+1·1*	56,860	302	*+0·5*	62,210	569	*+0·9*	..	..	..
A	27,450	−105	*−0·4*	57,050	215	*+0·4*	62,900	719	*+1·2*	..	..	..
M	27,550	115	*+0·4*	58,280	1,250	*+2·2*	64,540	1,659	*+2·6*	..	..	..
J	27,240	−297	*−1·1*	58,720	447	*+0·8*	64,730	200	*+0·3*	..	..	..
J	28,220	976	*+3·6*	61,670	2,954	*+5·0*	67,380	2,646	*+4·1*	..	..	..
A										..	..	..
S										..	..	..

[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/sterling M_3/M_3 seasonally adjusted.

[2] At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975 includes a number of estimates to provide reasonable consistency with earlier dates.

[3] The amounts outstanding at end-December 1975 are shown after the exclusion of one contributor to the series, but the effect on the figures is very small The changes have been adjusted to exclude the effect of the reduction in the number of contributors.

[4] From end-December 1977 the coverage of UK holders of dollar certificates of deposit has been somewhat expanded: the effect of this has been excluded from the change in M_3.


£ million, seasonally adjusted, log scale
70,000
65,000
60,000
55,000
50,000
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
Sterling M3
End quarter
Mid-month
M1
End quarter
Mid-month
1975
1976
1977
1978
1979
1980

Domestic credit expansion and changes in money stock

Seasonally adjusted[1]

£ million

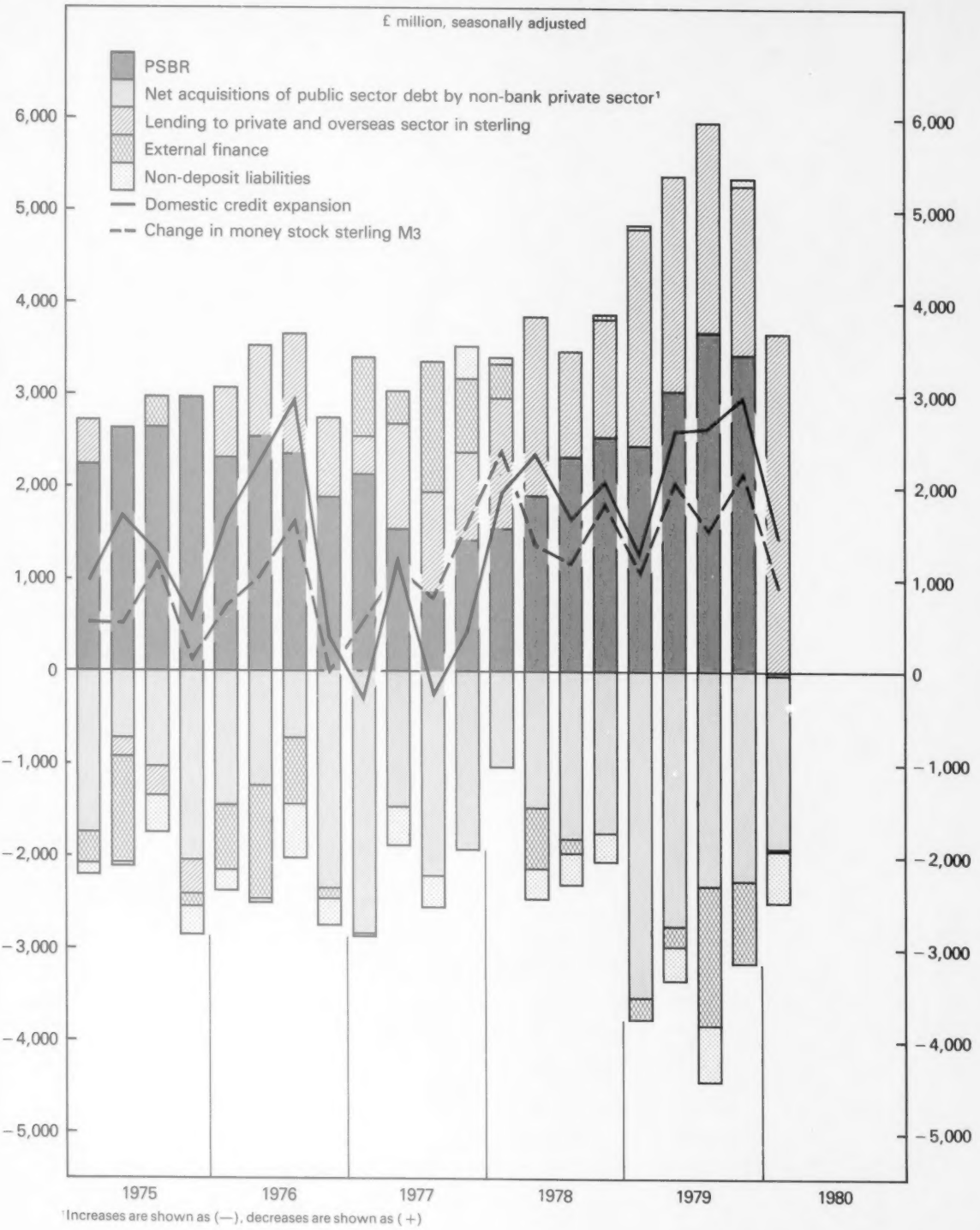
	Public sector borrowing requirement		Net acquisition of public sector debt by UK non-bank private sector		Sterling lending to UK private sector[2]	Sterling lending to overseas sector[3]	Domestic credit expansion	External and foreign currency finance	Non-deposit liabilities (net)	Money stock sterling M_3
	Central government borrowing requirement	Other public sector contribution	Other public sector debt	Central government debt						
	1	2	3	4	5	6	7	8	9	10
1975	8,345	2,139	205	5,344	−371	− 34	4,530	−1,317	−882	2,331
1976	6,786	2,341	293	5,470	3,464	647	7,475	−2,768	−1,142	3,565
1977	4,469	1,525	549	7,907	3,188	405	1,131	3,433	−434	4,130
1978	8,371	− 37	−332	6,361	4,698	1,062	8,065	−378	−915	6,772
1979	10,399	2,235	1,032	9,840	8,588	− 14	10,336	−2,903	−818	6,615
1975 *1*	1,330	916	80	1,660	603	−124	985	−342	−123	520
2	1,894	728	227	496	−349	148	1,698	−1,154	− 39	505
3	2,686	− 40	−195	1,227	−347	21	1,288	311	−404	1,195
4	2,435	535	93	1,961	−278	− 79	559	−132	−316	111
1976 *1*	1,807	516	21	1,419	419	343	1,645	−724	−219	702
2	1,734	808	186	1,048	733	261	2,302	−1,238	− 45	1,019
3	1,980	385	54	665	1,104	199	2,949	−706	−595	1,648
4	1,265	632	32	2,338	1,011	−156	382	−100	−283	− 1
1977 *1*	1,583	562	480	2,366	493	− 84	−292	864	− 6	566
2	1,094	454	293	1,180	966	182	1,223	332	−406	1,149
3	235	643	− 72	2,280	901	159	−270	1,433	−359	804
4	1,557	−134	−152	2,081	812	148	454	804	337	1,595
1978 *1*	1,367	189	−145	1,168	758	646	1,937	378	90	2,405
2	2,157	−244	−343	1,816	1,641	294	2,375	−659	−342	1,374
3	2,393	− 73	312	1,498	1,106	47	1,663	−157	−334	1,172
4	2,454	91	−156	1,879	1,188	75	2,085	60	−329	1,816
1979 *1*	1,056	1,395	520	2,987	2,432	− 82	1,294	−265	40	1,069
2	3,274	−232	− 85	2,850	2,370	− 22	2,625	−223	−350	2,052
3	2,825	867	436	1,879	2,176	91	3,644	−1,548	−576	1,520
4	3,244	206	162	2,124	1,828	− 1	2,991	−867	68	2,192
1980 *1*	− 882	859	553	1,333	3,256	421	1,483	− 8	−583	925
2										
Month ended										
1978 Oct. 18	556		− 35	137	319	− 16	687	−210	− 70	407
Nov. 15	986		−204	794	390	−115	263	189†	− 71	381
Dec. 13	661		341	662	480	137	957	−341	− 91	525
1979 Jan. 17	567		141	621	576	63	726	192	− 51	867
Feb. 21	809		338	1,225	998	−146	774	−309	−178	287
Mar. 21	—		243	1,284	767	—	−274	− 45	− 68	−387
April 18	1,586		208	1,273	660	29	1,210	−116	− 79	1,015
May 16	870		−172	500	629	70	897	− 45	− 68	784
June 20	1,016		160	1,391	842	− 77	550	123	−212	461
July 18	702		140	795	475	− 11	511	33	− 96	449
Aug. 15	493		174	256	678	113	1,202	−421	− 29	751
Sept. 19	1,316		92	870	477	− 34	1,005	−603	− 39	363
Oct. 17	972		−578	−109	1,184†	− 29†	1,658	−395	−258	1,004
Nov. 21	909		− 5	494	698	103	1,211	−727	63	547
Dec. 12	1,314		−213	1,168	170	− 7	96	109	−163	42
1980 Jan. 16	119		489†	1,423	1,378	175	738†	−104	−142†	492
Feb. 20	228		−70	479	502	89	270	− 57	110	323†
Mar. 19	569		−144	244	433	101	715	−232	−181	302
April 16	−584		260	756	1,546	221	687	−328	−144	215
May 21	1,457		− 32	468	369	−180	1,146	254	−150	1,250
June 18	1,413		121	894	438	275	1,352	−833	− 73	447
July 16	416		583	587	2,431	659	3,502	−209	−339	2,954
Aug.										
Sept.										

Relationship between columns: 7 = 1 + 2 − 3 − 4 + 5 + 6; 10 = 7 + 8 + 9 (The figures combined in the bracket are column 2 *less* column 3).

[1] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[2] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.

[3] Banking sector lending *plus* Bank of England Issue Department holdings of ECGD-backed promisory notes acquired as part of money market smoothing operations



[1]Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

£ million

	General government									
	Receipts[2]		Expenditure							
	Taxes, national insurance, etc. contributions	Trading income, rent, interest, etc.	Goods and services		Current and capital transfers			Net lending, etc.[3]	Total	Public expenditure[4]
			Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest			
1975	38,522	4,435	23,050	5,065	14,366	1,193	4,212	3,756	51,642	47,736
1976	44,697	5,263	26,683	5,482	17,006	1,425	5,395	2,365	58,356	53,974
1977	50,994	5,924	29,153	4,936	19,523	1,494	6,372	249	61,727	56,770
1978	56,492	6,392	32,817	4,673	23,138	1,976	7,221	1,652	71,477	65,822
1979	68,013	7,251	37,991	5,263	27,249	1,887	8,824	3,257	84,471	77,804
1976 *3*	11,105	1,408	6,728	1,299	4,212	324	1,629	741	14,933	13,708
4	11,931	1,282	6,921	1,283	4,420	407	1,240	185	14,456	13,499
1977 *1*	12,711	1,545	7,017	1,566	4,745	464	1,832	431	16,055	14,677
2	12,362	1,380	7,250	1,028	4,836	351	1,313	—178	14,600	13,590
3	12,842	1,697	7,362	1,167	4,859	317	1,747	88	15,540	13,973
4	13,079	1,302	7,524	1,175	5,083	362	1,480	—92	15,532	14,530
1978 *1*	14,100	1,697	7,929	1,412	5,665	676	1,996	66	17,744	16,179
2	13,481	1,498	8,044	956	5,679	396	1,455	436	16,966	15,791
3	13,865	1,681	8,240	1,163	5,754	434	1,949	719	18,259	16,618
4	15,046	1,516	8,604	1,142	6,040	470	1,821	431	18,508	17,234
1979 *1*	16,083	1,907	8,770	1,529	6,523	487	2,329	526	20,164	18,411
2	16,218	1,691	9,205	1,023	6,847	455	1,875	674	20,079	18,508
3	17,373	1,933	9,828	1,357	6,595	452	2,522	1,058	21,812	19,958
4	18,339	1,720	10,188	1,354	7,284	493	2,098	999	22,416	20,927
1980 *1*	20,784	1,987	10,852	1,671	7,664	591	3,160	142	24,080	22,088
2										

[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).
[4] As defined in the public expenditure White Paper (Cmnd. 7841). A reconciliation with the total of general government expenditure is shown in Table 2·4 of *Financial Statistics*.

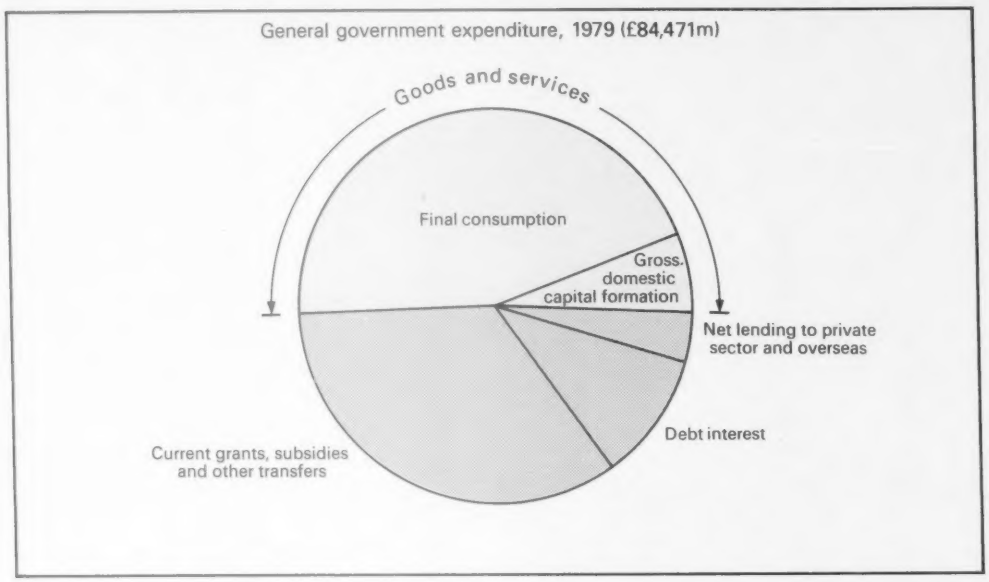
Financial transactions of the public sector

£ million

	Financial deficit[1]					Receipts					
							Borrowing requirement				
								Contributions by:			
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations	Seasonally adjusted total [5§]
1976	8,158	6,031	2,127	1,286	9,444	317	9,127	6,786	1,103	1,238	9,127
1977	5,762	4,560	1,202	150	5,912	— 82	5,994	4,469	183	1,342	5,994
1978	8,096	6,941	1,155	423	8,519	185	8,334	8,371	659	—696	8,334
1979	7,882	5,950	1,932	460	8,342	—4,293	12,635	10,399	1,732	504	12,635
1976 *3*	2,440	1,679	761	288	2,728	469	2,259	1,655	279	325	2,365
4	1,173	1,058	115	204	1,377	—961	2,338	1,513	362	463	1,897
1977 *1*	1,603	1,368	235	315	1,918	918	1,000	572	463	—35	2,145
2	1,236	1,036	200	12	1,248	—836	2,084	1,803	—256	537	1,548
3	1,641	913	728	20	1,661	718	943	210	269	464	878
4	1,282	1,243	39	—197	1,085	—882	1,967	1,884	—293	376	1,423
1978 *1*	2,083	1,881	202	—116	1,967	1,365	602	534	709	—641	1,556
2	1,862	1,551	311	140	2,002	—215	2,217	2,659	—136	—306	1,913
3	2,587	1,994	593	281	2,868	571	2,297	2,259	154	—116	2,320
4	1,564	1,515	49	118	1,682	—1,536	3,218	2,919	— 68	367	2,545
1979 *1*	2,142	1,648	494	187	2,329	804	1,525	247	1,002	276	2,451
2	1,818	1,496	322	234	2,052	—1,300	3,352	3,797	—267	—178	3,042
3	2,444	1,448	996	105	2,549	—1,267	3,816	2,842	666	308	3,692
4	1,478	1,358	120	—66	1,412	—2,530	3,942	3,513	331	98	3,450
1980 *1*	1,481	1,167	314	—169	1,312	2,458	—1,146	—1,924	1,396	—618	—23
2											

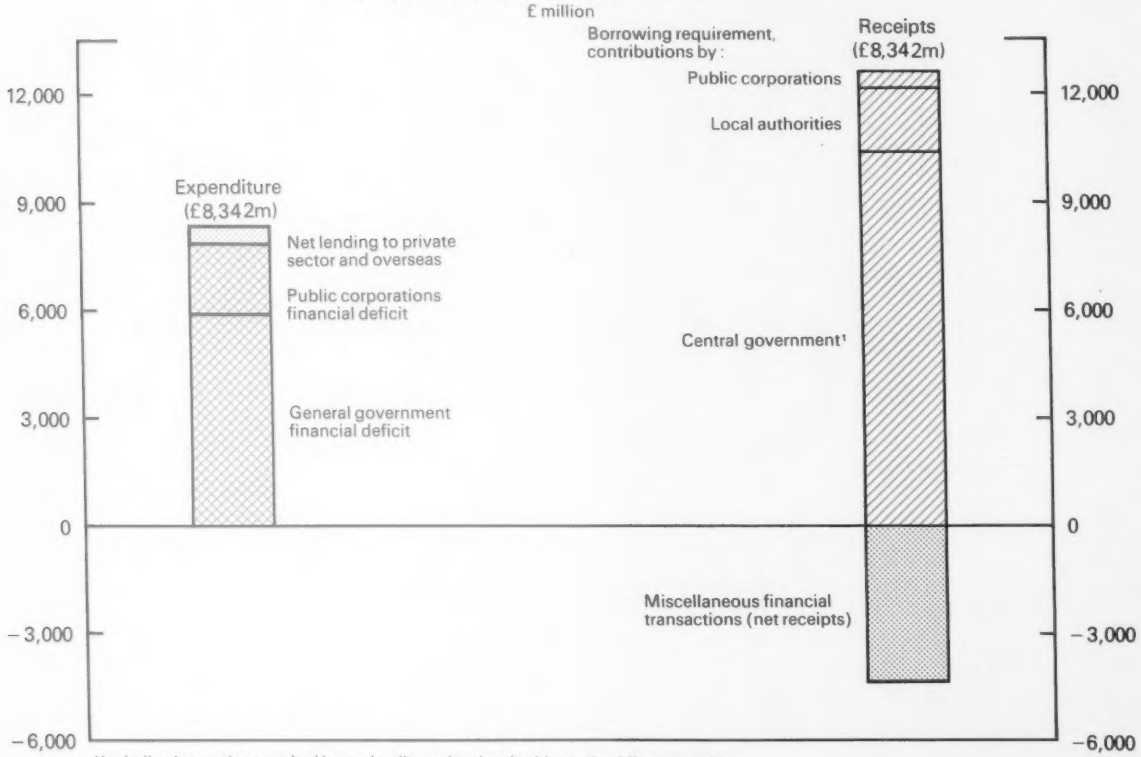
[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.
[2] Top table, columns 3 to 7, *less* 1 and 2. [3] Including cash expenditure on company securities (net).
[4] Including borrowing matched by on-lending to local authorities and public corporations. [5] Calendar year constrained.

General government expenditure, 1979 (£84,471m)


Goods and services
Final consumption
Gross domestic capital formation
Net lending to private sector and overseas
Debt interest
Current grants, subsidies and other transfers

Financial transactions of the public sector, 1979

£ million



[1] Including borrowing matched by on-lending to local authorities and public corporations.

Sector financial accounts

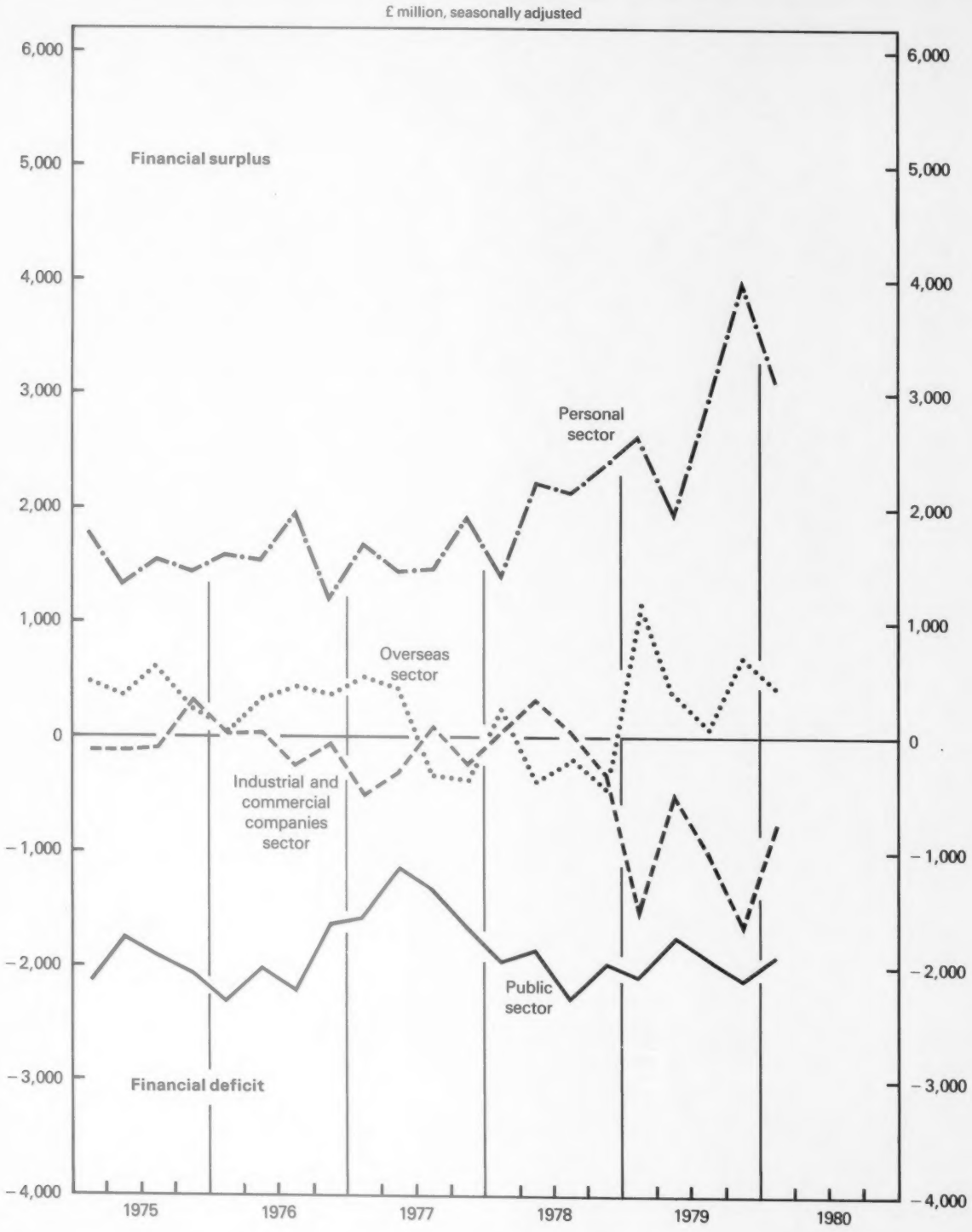
Seasonally adjusted

£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1974	2,722	110	7,553	1,096	−193	1,458	8,309	332	12,069
1975	2,131	− 34	9,976	1,073	− 65	1,698	8,873	404	9,278
1976	2,887	−204	10,841	1,734	− 97	2,034	12,637	358	13,235
1977	4,334	−232	9,864	1,863	−101	2,355	13,558	257	14,790
1978	2,516	−573	10,039	2,733	− 65	3,222	14,820	362	15,045
1979	3,849	−292	11,439	3,550	−193	3,886	16,643	339	21,755
1975 *3*	613	− 24	2,496	288	− 40	479	2,155	126	2,372
4	667	− 19	2,716	347	− 38	446	2,651	117	2,443
1976 *1*	532	− 9	2,835	304	− 5	446	2,695	66	2,741
2	807	− 48	2,772	319	− 31	494	2,965	106	3,028
3	500	− 54	2,651	505	− 31	553	3,210	93	3,544
4	1,048	− 93	2,583	506	− 30	541	3,767	93	3,922
1977 *1*	1,126	− 83	2,631	490	10	492	3,591	44	4,139
2	1,295	− 78	2,362	453	− 38	502	3,497	96	3,908
3	1,202	− 52	2,490	515	− 37	714	3,280	58	3,239
4	711	− 19	2,381	405	− 36	647	3,190	59	3,504
1978 *1*	692	−256	2,407	456	103	844	3,365	98	3,431
2	805	−122	2,541	669	− 54	854	3,962	92	3,715
3	348	−103	2,546	785	− 57	719	3,818	86	3,832
4	671	− 92	2,545	823	− 57	805	3,675	87	4,067
1979 *1*	817	− 60	2,864	919	− 15	835	3,767	48	5,402
2	976	−123	2,589	813	− 59	1,145	4,716	121	5,343
3	1,211	− 64	3,067	978	− 64	864	4,435	105	5,554
4	845	− 45	2,919	840	− 55	1,042	3,725	65	5,456
1980 *1*	1,373	− 77	3,200	1,068	− 9	997	4,667	30	5,451
2									

	Personal sector			Net acquisition of financial assets[4]					
	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1974	8,294	−324	3,158	−4,721	−555	−3,428	4,812	3,502	390
1975	10,044	−305	3,645	−7,879	−690	− 1	6,094	1,732	744
1976	10,909	− 57	4,610	−8,158	−397	− 240	6,242	1,202	1,351
1977	11,911	76	5,508	−5,762	−593	− 975	6,479	224	627
1978	14,337	276	6,532	−8,096	−554	137	8,081	−764	1,196
1979	19,264	146	7,998	−7,882	−529	−4,773	11,412	2,319	− 547
1975 *3*	2,552	− 62	945	−1,907	−231	− 91	1,545	629	55
4	2,480	− 60	988	−2,068	−137	325	1,432	248	200
1976 *1*	2,693	− 52	1,044	−2,312	−147	20	1,597	38	804
2	2,629	− 27	1,073	−2,013	−206	43	1,529	349	298
3	3,167	− 8	1,207	−2,205	− 79	− 241	1,952	452	121
4	2,420	30	1,286	−1,628	35	− 62	1,164	363	128
1977 *1*	3,043	29	1,376	−1,588	8	− 504	1,696	546	−158
2	2,729	20	1,325	−1,145	− 87	− 315	1,424	442	−319
3	2,737	31	1,333	−1,340	−236	99	1,435	−366	408
4	3,402	− 4	1,474	−1,689	−278	− 255	1,924	−398	696
1978 *1*	2,826	55	1,498	−1,971	−285	32	1,383	266	575
2	3,720	84	1,584	−1,858	−239	339	2,220	−382	− 80
3	3,770	75	1,725	−2,301	9	71	2,120	−191	292
4	4,021	62	1,725	−1,966	− 39	− 305	2,358	−457	409
1979 *1*	4,278	27	1,692	−2,107	69	−1,587	2,613	1,168	−156
2	3,756	61	1,915	−1,736	−391	− 506	1,902	357	374
3	4,902	23	2,031	−1,920	50	−1,014	2,894	83	− 93
4	6,328	35	2,360	−2,119	−257	−1,666	4,003	711	−672
1980 *1*	5,264	56	2,225	−1,904	62	− 754	3,095	417	−916
2									

[1] Excluding financial transactions in writing-off debt.
[2] Before providing for depreciation stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
[4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.
[5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
[6] The residual error in the national income accounts.


£ million, seasonally adjusted
6,000
5,000
4,000
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
1975
1976
1977
1978
1979
1980

Appropriation account of industrial and commercial companies

£ million Seasonally adjusted

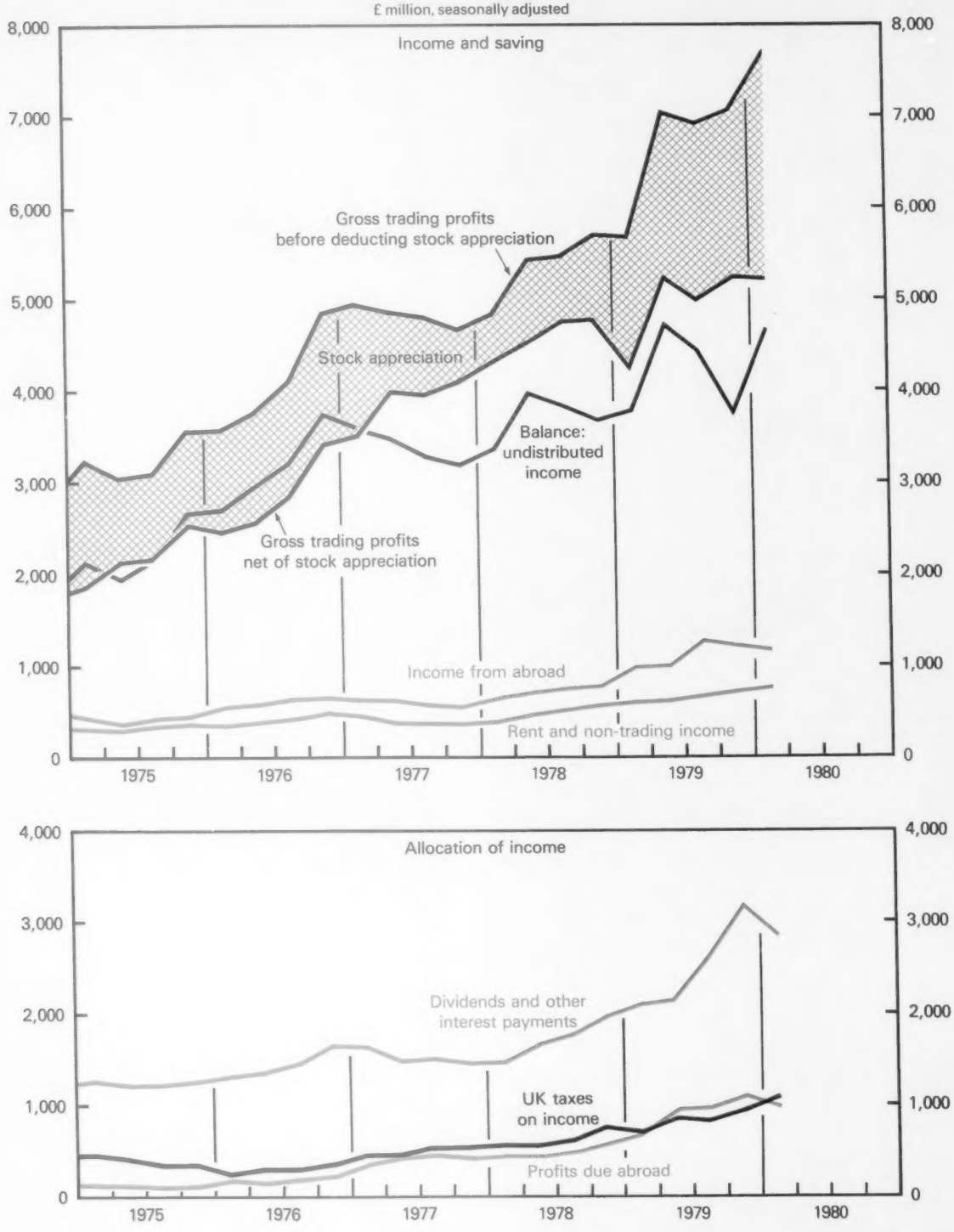
	Income							Allocation of income						
		Income arising in the United Kingdom						Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1969	7,521	5,579	576	6,155	504	165	862	1,554	1,223	756	259	1,026	3,459	815
1970	7,994	5,688	863	6,551	514	151	929	1,378	1,307	799	322	1,330	3,657	1,037
1971	8,852	6,555	842	7,397	518	135	937	1,530	1,330	792	397	1,143	4,452	1,331
1972	10,321	7,592	1,075	8,667	628	196	1,026	1,524	1,529	969	549	1,036	5,683	1,589
1973	13,800	8,550	2,290	10,840	1,021	501	1,939	1,638	2,394	1,806	665	1,156	7,947	2,357
1974	15,664	7,508	4,706	12,214	1,307	697	2,143	1,469	3,376	2,716	525	1,985	8,309	4,008
1975	15,846	8,647	4,262	12,909	1,296	621	1,641	1,608	3,352	2,674	447	1,566	8,873	3,451
1976	20,268	11,307	4,999	16,306	1,603	814	2,359	1,852	3,875	3,156	744	1,160	12,637	4,111
1977	23,170	15,551	3,770	19,321	1,534	654	2,315	2,242	3,784	3,058	1,631	1,955	13,558	3,879
1978	26,065	18,312	3,123	21,435	1,859	854	2,771	2,695	4,143	3,464	1,913	2,494	14,820	3,597
1979	33,586	19,627	7,068	26,695	2,522	1,289	4,369	3,954	6,058	5,455	3,640	3,291	16,643	4,004
1974 *1*	3,895	1,369	1,582	2,951	338	192	606	398	800	647	170	341	2,186	943
2	3,919	1,860	1,180	3,040	320	170	559	382	820	657	126	538	2,053	1,073
3	3,901	2,188	890	3,878	328	173	495	356	864	691	103	651	1,927	1,018
4	3,949	2,091	1,054	3,145	321	162	483	333	892	721	126	455	2,143	974
1975 *1*	3,985	1,864	1,391	3,255	310	151	420	399	879	711	125	457	2,125	929
2	3,686	2,106	915	3,021	295	131	370	400	810	641	122	412	1,942	879
3	3,810	2,157	916	3,073	330	158	407	401	811	637	95	348	2,155	881
4	4,365	2,520	1,040	3,560	361	181	444	408	852	685	105	349	2,651	762
1976 *1*	4,444	2,470	1,105	3,575	342	159	527	448	858	672	196	247	2,695	974
2	4,732	2,566	1,221	3,787	377	181	568	453	887	709	135	292	2,965	984
3	5,132	2,855	1,247	4,102	405	204	625	467	972	787	193	290	3,210	1,045
4	5,960	3,416	1,426	4,842	479	270	639	484	1,158	988	220	331	3,767	1,108
1977 *1*	6,023	3,503	1,465	4,968	445	230	610	518	1,110	917	347	457	3,591	993
2	5,852	3,995	881	4,876	372	156	604	535	937	757	427	456	3,497	1,004
3	5,734	3,962	842	4,804	367	145	563	587	908	730	439	520	3,280	910
4	5,561	4,091	582	4,673	350	123	538	602	829	654	418	522	3,190	972
1978 *1*	5,820	4,302	533	4,835	375	141	610	633	824	637	431	567	3,365	848
2	6,577	4,508	921	5,429	449	203	699	660	976	808	423	556	3,962	806
3	6,678	4,750	726	5,476	491	235	711	656	1,115	941	481	608	3,818	938
4	6,990	4,752	943	5,695	544	275	751	746	1,228	1,078	578	763	3,675	905
1979 *1*	7,238	4,203	1,490	5,693	582	292	963	715	1,384	1,214	671	701	3,767	1,030
2	8,605	5,220	1,805	7,025	595	290	985	744	1,388	1,227	921	836	4,716	1,034
3	8,803	4,981	1,926	6,907	658	341	1,238	1,032	1,563	1,417	952	821	4,435	1,032
4	8,940	5,223	1,847	7,070	687	366	1,183	1,463	1,723	1,597	1,096	933	3,725	908
1980 *1*	9,542	5,217	2,475	7,692	726	399	1,124	883†	1,942	1,789	954	1,096	4,667	1,099
2														

Percentage change, quarter on corresponding quarter of previous year

1978 *2*	+12·4	+12·8	+ 4·5	+11·3	+20·7	+ 30·1	+15·7	+23·4	+ 4·2	+ 6·7	— 0·9	+21·9	+13·3	— 9·8
3	+16·5	+19·9	−13·8	+14·0	+33·8	+ 62·1	+26·3	+11·8	+22·8	+28·9	+ 9·6	+16·9	+16·4	+ 3·0
4	+25·7	+16·2	+62·0	+21·9	+55·4	+123·6	+39·6	+23·9	+48·1	+64·8	+ 38·3	+46·2	+15·2	— 6·9
1979 *1*	+24·4	— 2·3	+179·6	+17·8	+55·2	+107·1	+57·9	+13·0	+68·0	+90·6	+ 55·7	+23·6	+12·0	+21·5
2	+30·8	−15·8	+ 96·0	+29·4	+32·5	+ 42·9	+40·9	+12·7	+42·2	+51·9	+117·7	+50·4	+19·0	+14·1
3	+31·8	+ 4·9	+165·3	+26·1	+34·0	+ 45·1	+74·1	+57·3	+40·2	+50·6	+ 97·9	+35·0	+16·2	+10·0
4	+27·9	+ 9·9	+ 95·9	+24·1	+26·3	+ 33·1	+57·5	+96·1	+40·3	+48·1	+ 89·6	+22·3	+ 1·4	+ 0·3
1980 *1*	+31·8	+24·1	+66·1	+35·1	+24·7	+ 36·6	+16·7	+23·5	+40·3	+47·4	+ 42·2	+56·4	+23·9	+ 6·7
2														

[1] Before providing for depreciation and stock appreciation.
[2] These items are included solely as memorandum items.
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.
[4] The residual of all companies payments and financial companies and institutions accruals of taxes on income. Mainly payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
[5] Before providing for depreciation, stock appreciation and additions to reserves.

£ million, seasonally adjusted



Sources and uses of capital funds of industrial and commercial companies

£ million

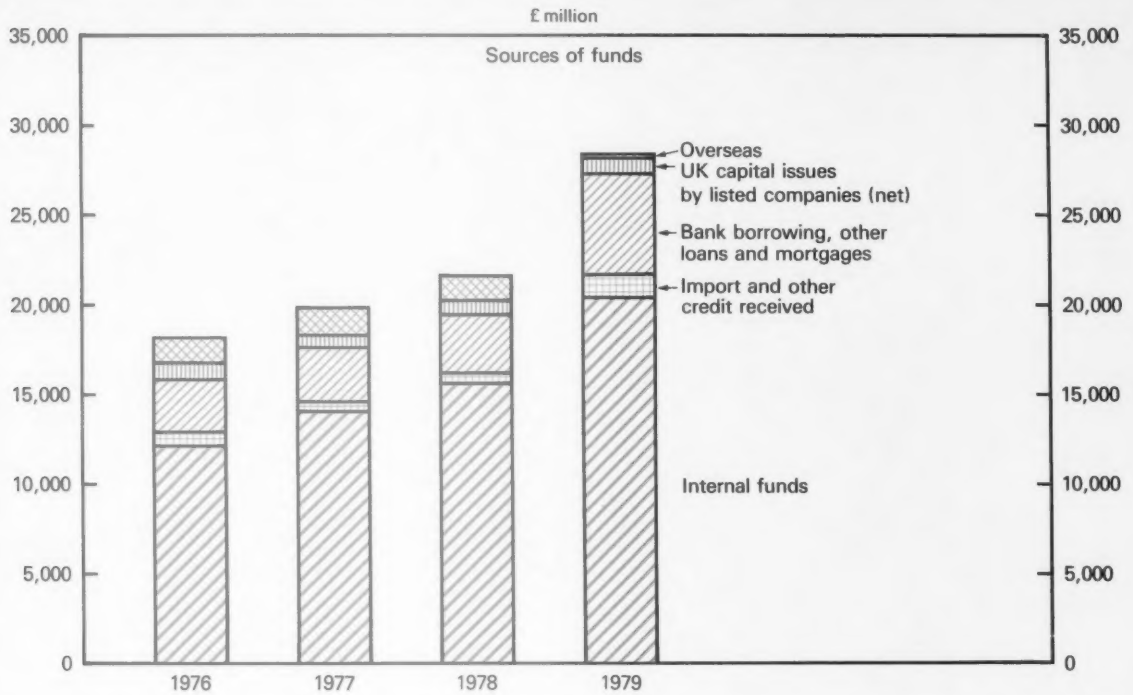
	Sources of funds						Uses of funds					
									Acquisition of financial assets			
	Total	Internal funds[1]	Import and other credit received	Bank borrowing, other loans and mortgages[2]	UK capital issues by listed companies (net)	Overseas	Gross domestic fixed capital formation	Increase in book value of stocks and work in progress	Liquid assets[3]	Investment abroad	Other	Unidentified items (residual)
1974	15,430	8,500	693	4,533	70	1,634	6,057	6,012	140	825	1,256	1,140
1975	12,911	9,283	272	947	1,233	1,176	6,770	2,508	1,813	190	1,447	183
1976	18,139	12,105	889	2,875	827	1,443	8,016	5,219	1,887	713	2,774	— 470
1977	19,810	14,031	558	3,061	662	1,498	9,729	5,061	2,952	712	2,121	— 765
1978	21,550	15,640	489	3,340	759	1,322	11,138	3,907	2,804	1,908	1,929	— 136
1979	28,430	20,371	1,404	5,545	885	225	12,020	9,735	811	3,231	2,724	—[4] 91
1976 *3*	3,955	2,628	54	785	140	348	2,194	1,407	702	134	77	— 559
4	5,833	3,889	372	1,295	23	254	2,238	1,857	316	254	1,019	149
1977 *1*	5,393	3,785	257	742	34	575	2,012	2,058	135	224	—	964
2	5,266	3,664	30	855	344	373	2,477	1,363	538	396	787	— 295
3	4,035	3,069	48	367	182	369	2,457	714	922	56	480	— 594
4	5,116	3,513	223	1,097	102	181	2,783	926	1,357	36	854	— 840
1978 *1*	5,635	3,839	241	829	22	704	2,581	888	424	294	— 31	1,479
2	5,511	4,129	— 19	1,029	351	21	2,789	902	819	117	877	7
3	4,260	3,637	—171	435	272	87	2,811	892	525	538	— 39	— 467
4	6,144	4,035	438	1,047	114	510	2,957	1,225	1,036	959	1,122	—1,155
1979 *1*	7,035	4,448	296	1,912	212	167	2,656	2,681	—470	880	— 44	1,332
2	8,545	5,760	285	1,518	389	593	2,812	2,397	1,420	612	1,249	55
3	6,273	5,541	107	834	59	—268	3,133	2,411	—275	1,014	395	— 405
4	6,577	4,622	716	1,281	225	—267	3,419	2,246	136	725	1,124	—1,073
1980 *1*	7,263	4,940	—257	2,573	31	— 24	3,079	2,195	—1,351	765	314	2,261
2												

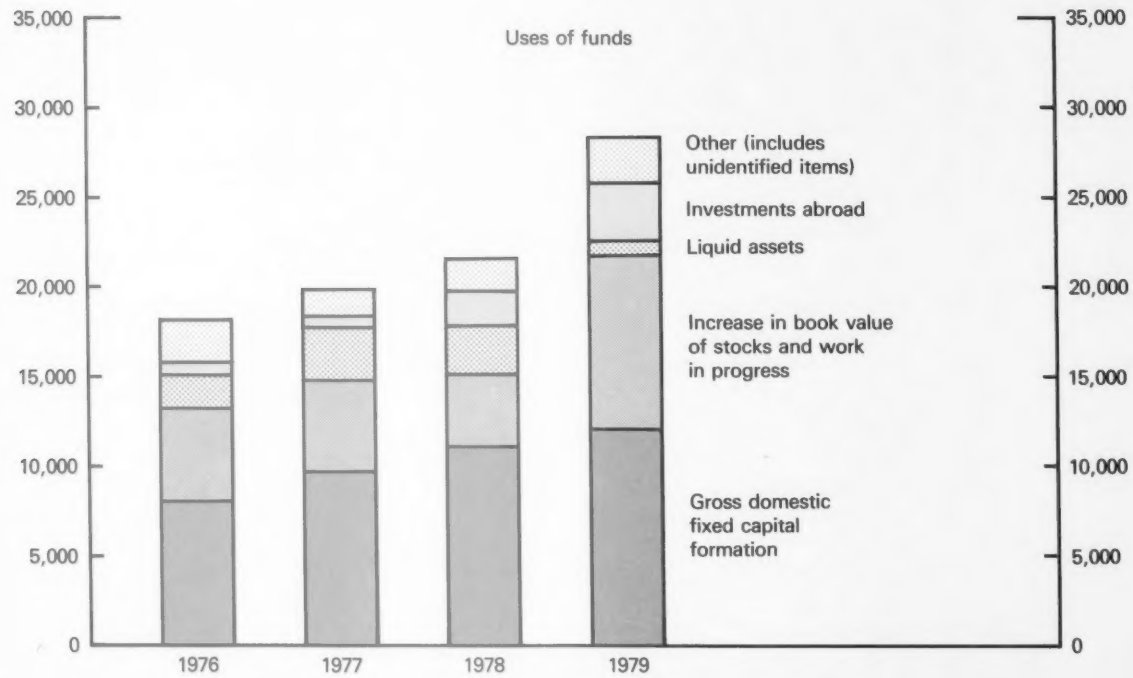
[1] Before providing for depreciation, stock appreciation and additions to reserves and adjusted for unremitted profits.
[2] After addition of 40 per cent of the excess of debit over credit transit items.
[3] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items.

Selected liquid assets of industrial and commercial companies

	Deposits with banking sector					Deposits with other financial institutions							
Amounts outstanding at end of period	Sterling certificates of deposits	Dollar certificates of deposit	Other sterling deposits[1]	Other foreign currency deposits	Deposits with building societies		Market treasury bills[2]	Tax instruments[3]	British government securities[4]	Local authority temporary debt	Local authority longer-term debt	Total identified	*Bank lending*[5,6,7]
1976 *3*	309	143	8,390	2,290	273	203	420	7	257	414	282	12,988	*20,650*
4	342	179	8,520	2,128	289	210	230	7	298 / 289	579	343	13,123 / 13,114	*21,780*
1977 *1*	459	96	8,125	2,546	311	202	294	5	301	477	380	13,196	*22,047*
2	412	275	8,196	2,581	359	225	433	29	336	388	385	13,619	*22,808*
3	421	257	8,812	2,452	399	221	396	354	353	317	378	14,360	*22,997*
4	455	364	9,964	2,199	456	215	217 / 240	479	377 / 435	229	338	15,293 / 15,374	*23,459*
1978 *1*[8]	644	161	10,116	2,555	481	212	316	231 / 224	417	280	301	15,714 / 15,707	*23,853*
2[8]	576	116	10,460	3,041	461 / 331	257	231	224	437	291	290	16,384 / 16,254	*25,220*
3	380	115	10,813	2,817	312	354	84	588	445	319	287	16,514	*25,187*
4	370	163	11,506	2,734	291	326	66	704	449	387	269	17,265	*25,974*
1979 *1*	342	145	10,779	2,441	281	299	66	1,060	523	446	261	16,643	*27,323*
2	376	318	11,440	2,624	272	319	194	1,024	593	432	256	17,848	*28,514*
3	251	317	11,350	2,434	259	294	54	965	700	557	265	17,446	*28,767*
4	102	219	11,739	2,774	247	279	117	674	595	559	270	17,574	*29,905*
1980 *1*	242	175	10,388	3,067	235	283	95	260	557	632	287	16,221	*32,235*
2													

[1] After deducting 60% items in transit. [2] Including unidentified holdings by other sectors.
[3] Tax reserve certificates, tax deposit accounts and certificates of tax deposits, including holdings by financial institutions, other than building societies, which are known to be small.
[4] These estimates are derived from the Department of Industry's survey of company liquidity. [5] See Financial statistics *Explanatory handbook*, page 94.
[6] Including refinanceable export and shipbuilding credits. [7] After adding 40% items in transit. [8] The break in series for tax instruments is due to a new return which identifies certain public corporation holdings which were formerly included with industrial and commercial companies holdings.
[9] The break in series of Deposits with building societies is due to new returns from building societies.


£ million
Sources of funds
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
1976
1977
1978
1979
Overseas
UK capital issues by listed companies (net)
Bank borrowing, other loans and mortgages
Import and other credit received
Internal funds


Uses of funds
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
1976
1977
1978
1979
Other (includes unidentified items)
Investments abroad
Liquid assets
Increase in book value of stocks and work in progress
Gross domestic fixed capital formation

Bank lending[1] to UK residents

Seasonally adjusted[2]

£ million

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1975	3,379	3,096	283	124†	— 373	497†
1976	288	— 146	434	3,387	3,138	249
1977	2,378	1,696	682	4,707	3 492	1,215
1978	— 291	123	— 414	5,791	4,710	1,081
1979	955†	1,540†	— 585	9,479	8,576†	903
1975 *1*	75	— 223	298	294	335	— 41
2[5]	1,221	1,233	— 12	149	— 90	239
3	1,755	1,755	—	— 99†	— 351	252†
4[4]	339	342	— 3	— 220	— 267	47
1976 *1*	— 20	— 37	17	352	416	— 64
2	— 376	— 430	54	647	727	— 80
3	901	743	158	1,249	1,096	153
4	— 20	— 225	205	942	702	240
1977 *1*	354	— 149	503	1,281	727	554
2	— 9	— 9	—	1,210	1,050	160
3	941	692	249	939	878	61
4	1,108	1,178	— 70	1,261	821	440
1978 *1*	— 195	34	— 229	857	658	199
2	—1,494	—1,254	— 240	2,119	1,644	475
3	266	326	— 60	1,503	1,188	315
4	1,137	1,022	115	1,307	1,215	92
1979 *1*	—1,339	—1,187	— 152	2,712	2,421†	291
2	567	718	— 151	2,865	2,380	485
3	425†	576†	— 151	2,213	2,185	28
4	1,084	1,215	— 131	1,907	1,808	99
1980 *1*	—1,550	—1,368	— 182	3,001	2,440	561
2						

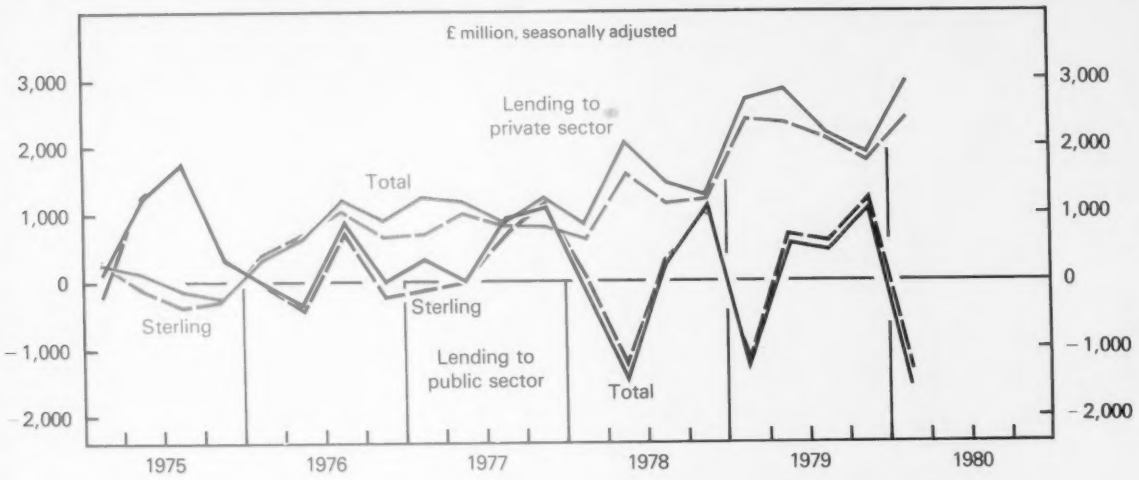
[1] UK banking sector: changes in assets. From the second quarter 1975 transactions have been entered as far as possible on a cash receipts/payments basis.
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.
[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.
[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

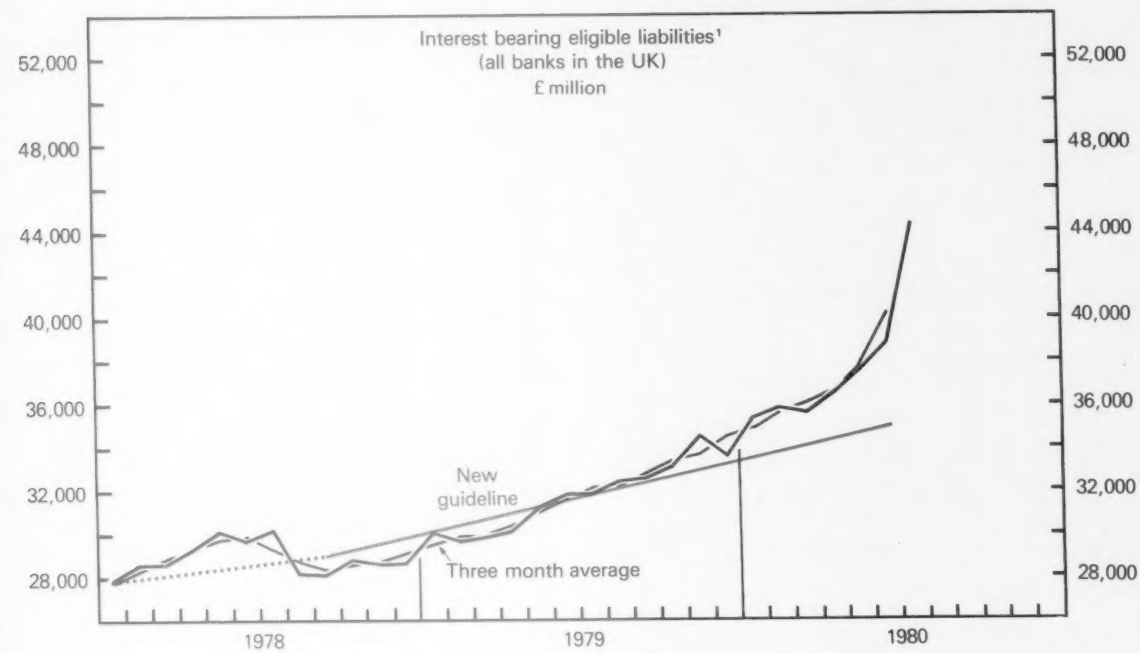
Banks' reserve ratio

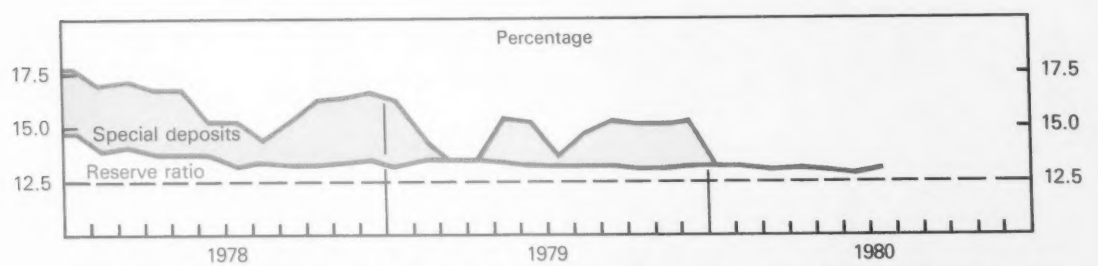
Unadjusted

	£ million		Per cent		£ million		£ million		Per cent		£ million
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]	Supplementary deposits[2,3]		Eligible liabilities	*of which:* Interest bearing	Reserve ratio	Special deposits[2]	Supplementary deposits[2,3]
At mid-month							**At mid-month**				
1977 *J*	37,094	24,671	14·0	3	1	1979 *J*	45,984	30,079	13·3	3	2
A	37,692	25,319	14·5	3		*F*	45,554	29,774	13·6	1	3
S	38,796	25,801	14·5	3		*M*	46,085	29,911	13·6	—	2
O	39,709	26,320	14·5	3		*A*	47,510	30,182	13·6	—	1
N	40,209	26,500	15·1	3		*M*	48,409	31,359	13·5	2	5
D	40,850	26,808	14·8	3		*J*	48,988	31,971	13·3	2	9
1978 *J*	41,678	27,990	14·8	3		*J*	49,156	31,903	13·3	½	2
F	42,225	28,620	14·0	3		*A*	49,863	32,488	13·3	1½	10
M	42,557	28,686	14·1	3		*S*	50,068	32,579	13·3	2	4
A	43,863	29,373	13·9	3		*O*	51,282	33,160	13·2	2	1
M	44,514	30,107	13·9	3		*N*	52,262	34,530	13·2	2	3
J	44,355	29,719	13·8	1½		*D*	51,647	33,608	13·3	2	3[5]
J	45,022	30,167	13·3	2		1980 *J*	52,937	35,429	13·2	—	28
A	43,411	28,280	13·5	1		*F*	52,875†	35,887†	13·2	—	104
S	43,508	28,141	13·4	2		*M*	52,779	35,620	13·1	—	132
O[4]	44,832	28,889	13·4	3		*A*	54,297	36,505	13·2	—	216
N	44,635	28,681	13·5	3	1	*M*	55,216	37,568	13·1	—	219
D	45,001	28,733	13·6	3	2	*J*	56,455	38,940	13·0	—	242
						J	61,499	44,293	13·2	—	456

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.
[3] For details of the activation of the supplementary special deposit scheme between November 1976 and August 1977, see the additional notes to Table 3 in the Bank of England Quarterly Bulletin. The scheme was re-introduced in June 1978, but no payments became due until November 1978.
[4] The addition of National Girobank to this series in October inflated eligible liabilities by £310 million and the reserve ratio by 0·1 %; hitherto this bank was outside the normal credit control arrangements. [5] Adjustments to supplementary deposits arising from mid-November figures are made after the mid-December reporting date. The amount due, however, was £19m.







[1] Supplementary special deposits will have to be paid by banks and deposit-taking finance houses, according to growth in excess of the guideline, at rates of 5 per cent (up to 3 per cent excess), 25 per cent (over 3 and up to 5 per cent excess) and 50 per cent (above 5 per cent excess) of interest-bearing eligible liabilities.

Interest rates, security prices and yields

Percentage rate

	Last Friday							Last working day	Average of working days			
	Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks: Base rate	London clearing banks: Deposit account: 7 days' notice[4]	Inter-bank (3-month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares: 1 July 1935=100: Price index	Dividend yield	Earnings yield[7]
1969	8	7·80	9 – 9 1/16	8	6	9 3/8 – 9 1/2	9 1/4 – 9 1/2	11 1/16	5·00	8·88	419·8	4·43	5·82
1970	7	6·93	7 1/2	7	5	7 1/4 – 7 3/8	7 3/16–7 5/16	7 7/16	5·00	9·16	361·0	4·75	6·54
1971	5	4·46	4 1/8 – 4 3/8	4 1/2	2 1/2	4 3/8 – 4 1/2	4 3/8 – 4 1/2	5 3/8	5·00	9·05	386·2	4·76	6·21
1972	9	8·48	8 1/2	7 1/2	5 1/2	8 5/8 – 9 1/16	8 1/2 – 9 1/16	5 1/16	5·25	9·11	503·8	3·26	4·98
1973	13	12·82	16 –16 1/8	13	9 1/2	16 1/16–16 3/16	15 1/2 –16	10 3/8	7·50	10·85	435·6	4·12	..
1974	11 1/2	11·30	13 1/2	12	9 1/2	12 1/2 –12 11/16	12 1/2 –12 3/4	10 1/2	7·50	14·95	251·2	8·23	21·47
1975	11 1/4	10·93	11 1/4 –11 3/8	11	7	11 1/16–11 3/16	11 –11 1/4	6 1/16	7·00	14·66	311·0	6·81	19·49
1976	14 1/2	13·98	14 1/2 –15	14	11	14 1/4 –14 3/8	14 1/16–14 1/8	5 1/16	7·80	14·25	368·0	5·96	17·61
1977	7	6·39	6 1/2	6 1/2–7 1/4	3 1/4–4 1/2	6 3/16– 6 1/4	6 1/8 – 6 7/16	7 1/8	6·00	12·32	452·3	5·42	16·50
1978	12 1/2	11·91	12 1/8 –12 1/4	12 1/2	10	12 7/16–12 1/2	12 1/8 –12 1/4	11 7/8	8·00	11·92†	479·4	5·65	16·47
1979	17	16·49	16 1/16–17 1/4	17	15	16 1/16–17 1/16	16 1/16–16 7/8	14 1/4	10·50	11·38	419·8	7·70	18·78
1977 *J*	8	7·44	7 1/8 – 7 1/4	8 1/2	4	7 1/8 – 7 1/16	7 3/16– 7 1/16	6 1/2	6·70	13·11	443·1	5·37	16·09
A	7	6·52	6 1/8 – 6 1/4	8	4	6 1/8 – 6 1/4	6 1/8 – 6 1/16	6 1/2	6·70	12·56	478·6	5·23	15·26
S	6	5·37	5 11/16– 5 7/8	7	3	5 1/8 – 5 1/16	5 1/8 – 5 3/16	6 1/16	6·70	11·52	522·8	5·08	14·98
O	5	4·53	4 1/2 – 5	6	3	4 3/16– 5	4 3/16– 4 1/16	7 1/8	6·70	10·84	511·9	5·26	15·55
N	7	6·53	6 1/2	6	3	6 1/16 – 7 1/8	6 1/8 – 6 1/16	7 7/16	6·00	11·04	480·5	5·56	16·72
D	7	6·39	6 1/2	6 1/2–7 1/4	3 1/4–4 1/2	6 7/16– 6 1/2	6 1/8 – 6 7/16	7 1/8	6·00	10·90	481·6	5·56	16·83
1978 *J*	6 1/2	5·85	6 1/4 – 6 3/8	6 1/2	3	6 3/8 – 6 1/2	6 1/4 – 6 1/2	7 1/16	6·00	10·67	482·3	5·57	16·96
F	6 1/2	6·07	6 1/8 – 6 1/4	6 1/2	3	6 1/8 – 6 1/4	6 1/8 – 6 1/4	7 3/16	5·50	11·21	457·9	5·85	17·74
M	6 1/2	6·02	6 1/8 – 7	6 1/2	3	6 1/16– 7	6 1/16– 6 1/16	7 7/16	5·50	11·18	454·9	5·94	17·51
A	7 1/2	7·12	8 – 8 1/2	7 1/2	4	8 3/16– 8 1/2	8 1/2 – 8 1/2	7 11/16	5·50	11·65	460·9	5·85	17·25
M	9	8·67	9 1/2	9	6	9 3/16– 9 7/16	9 3/16– 9 1/2	7 11/16	5·50	12·07	476·6	5·58	16·86
J	10	9·49	9 7/8 –10 1/16	10	6 1/2–7	10 1/16–10 1/4	9 11/16–10 1/16	8 11/16	5·50	12·31	466·1	5·68	16·65
J	10	9·33	10 1/4 –10 1/2	10	6 1/2–7	9 11/16–10 3/16	9 11/16– 9 11/16	8 17/32	6·70	12·20	472·2	5·62	17·06
A	10	9·03	9 1/4 – 9 3/8	10	6 1/2–7	9 3/16– 9 3/8	9 3/16– 9 3/16	8 23/32	6·70	12·15	508·8	5·28	15·88
S	10	9·38	9 3/8 – 9 1/2	10	6 1/2–7	9 3/16– 9 11/32	9 1/4 – 9 3/8	9 7/16	6·70	12·17	516·0	5·21	15·02
O	10	10·56	10 3/4 –10 7/8	10	6 1/2–7	10 3/4 –11 1/16	10 11/16–11	11 3/32	6·70	12·42	497·5	5·42	15·09
N	12 1/2	11·91	12 3/16–12 1/2	12 1/2	10	12 1/16–12 1/4	12 1/16–12 3/16	11 1/8	6·70	12·63	476·9	5·86	15·86
D	12 1/2	11·91	12 3/8 –12 1/2	12 1/2	10	12 7/16–12 3/8	12 3/8 –12 1/2	11 1/16	8·00	12·38	482·4	5·98	15·73
1979 *J*	12 1/2	12·46	13	12 1/2	10	13 –13 1/8	12 7/16–12 11/16	10 31/32	8·00	12·51	474·1	6·10	16·01
F	14	12·61	13 1/2 –13 3/4	13 1/2	11	12 5/8 –13 1/16	12 11/16–13	10 31/32	8·00	12·63	460·2	6·18	16·16
M	13	11·78	12 3/8 –12 1/2	13	10 1/2	12 1/16–12 5/16	12 –12 1/8	10 7/16	8·00	11·36	511·5	5·53	14·54
A	12	11·61	11 11/16–12	12	9 1/2	11 3/8 –11 11/16	11 3/16–11 1/4	11 1/16	8·00	10·68	537·4	5·37	14·31
M	12	11·79	11 11/16–12	12	9 1/2	11 11/16–11 13/16	11 1/4 –11 7/16	10 7/16	8·00	11·02	528·5	5·56	14·90
J	14	13·71	14 –14 1/4	14	11 1/2	13 11/16–14 1/8	13 11/16–13 11/16	11	8·00	11·39	489·5	5·93	15·82
J	14	13·82	14 1/16–14 1/8	14	11 1/2	14 –14 1/8	13 11/16–14 1/16	11 1/16	8·00	10·88	468·3	6·62	16·92
A	14	13·77	14 1/4	14	11 1/2	14 3/16–14 5/16	14 1/16–14 1/4	12 3/16	8·75	10·54	467·2	6·95	17·46
S	14	13·88	14 1/4	14	11 1/2	14 1/8 –14 3/16	13 11/16–14 1/8	12 7/8	8·75	10·75	468·4	6·95	17·75
O	14	13·83	14 1/4 –14 3/8	14	11 1/2	14 3/16–14 1/2	14 1/4 –14 3/8	15 1/32	8·75	11·07	465·4	7·13	17·55
N	17	16·8	16 7/8	17	15	16 3/8 –16 1/2	16 1/4 –16 3/8	14 5/16	8·75	11·86	415·9	7·88	19·07
D	17	16·49	16 11/16–17 1/4	17	15	16 11/16–17 1/16	16 1/16–16 3/8	14 1/2	10·50	11·85	419·8	7·70	18·78
1980 *J*	17	16·38	17 1/4 –17 5/8	17	15	17 1/4 –17 1/2	17 1/8 –17 1/16	14 13/32	10·50	11·41	440·7	7·43	18·42
F	17	16·74	18 1/8 –18 3/8	17	15	18 1/16–18 1/4	18 –18 1/8	16 31/32	10·50	11·76	467·1	7·21	17·42
M	17	16·89	18 1/4 –18 7/8	17	15	18 1/8 –18 3/8	17 11/16–18 1/16	19 23/32	10·50	12·62	440·8	7·75	19·26
A	17	16·79	17 1/4 –17 3/8	17	15	17 1/4 –17 5/16	17 1/16–17 5/16	16 3/4	10·50	12·35	435·5	8·04	19·73
M	17	16·77	17 1/8 –17 1/4	17	15	17 –17 1/8	16 3/4 –17 1/16	9 1/2	10·50	12·18	432·4	8·21	20·05
J	17	16·37	17	17	15	16 3/4 –17	16 11/16–16 7/8	9 1/2	10·50	11·98	451·2	7·96	19·20
J	16	15·06	15 1/2 –15 5/8	16	14	15 5/16–15 9/16	15 1/4 –15 3/8	9 5/16	10·50	11·26	488·5	7·42	17·96
A									10·50				
S													

[1] Previously known as Bank Rate. From 13 October 1972 to 24 May 1978, the Bank of England's minimum lending rate was normally set ¼% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above. With effect from 25 May 1978 the rate has been determined by administrative decision with changes normally being announced at 12.30 p.m. on Thursdays; a new rate becomes effective, for lending by the Bank, immediately. For changes in Bank Rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics (HMSO)*.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

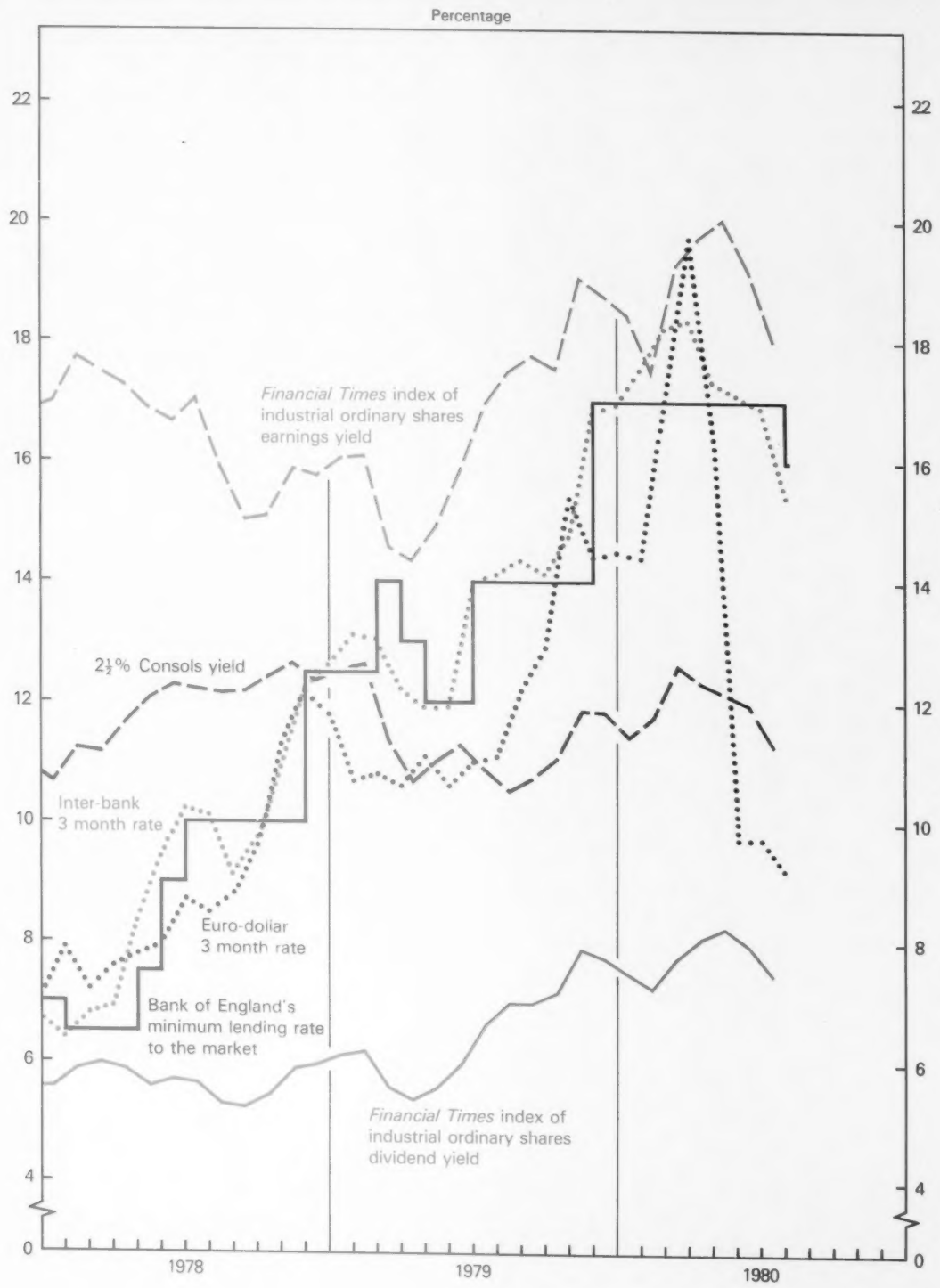
[3] For a minimum term of 3 months and thereafter at 7 days' notice.

[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook*. No meaningful average for 1973 is therefore available.


Percentage
22
20
18
16
14
12
10
8
6
4
0
Financial Times index of industrial ordinary shares earnings yield
2½% Consols yield
Inter-bank 3 month rate
Euro-dollar 3 month rate
Bank of England's minimum lending rate to the market
Financial Times index of industrial ordinary shares dividend yield
1978
1979
1980

Cyclical indicators for the UK economy

Recent movements of the indicators

(*data available to 12 August 1980*)

Where are we in the cycle?

The economy as measured by the composite index of *coincident* indicators moved further down the business cycle in July. Most of the component series available fell. Although retail sales in June recovered a little from their May level, the smoothed series used in the composite index continued to fall, and sales in the second quarter were down by 1½ per cent compared with the first. The index of manufacturing production for June, after smoothing, was slightly below the May figure. Data from the CBI Survey for July shows a further increase in the balance of firms reporting below-capacity working (used in inverted form), but there was a reduction in the balance of replies reporting lower stocks of raw materials over the previous four months.

The composite *shorter leading* index fell again in July, suggesting further reductions in activity over the next few months. Of the component series, consumer credit and new registrations of cars both fell further, after smoothing, and there were larger balances of replies to the CBI Survey reporting reductions in the volume of new orders received and expected reductions in raw material stocks.

Where next?

A pointer to the duration of the downward phase is given by the longer leading indicators. The Financial Times–Actuaries 500 share index has now risen for three months running, and short-term interest rates (used inverted in the index) fell in July for the fourth successive month. Between them, these series have offset the downward movement in business optimism shown by data from the CBI Survey, and in consequence the composite index of *longer leading* indicators rose further in July.

The composite index of longer leading indicators has been rising (though with a hesitation in the Spring) from a low point in November 1979. However, figures for the second quarter for net acquisitions of financial assets by industrial and commercial companies will become available in October and could possibly alter the picture. In the past the longer leading index has usually turned up 11 to 15 months ahead of the coincident index (though in 1970–72 the lead was 23 months). If this relationship holds the trough of the recession may be reached in late 1980 or early 1981.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Values and timing characteristics of the composite indices

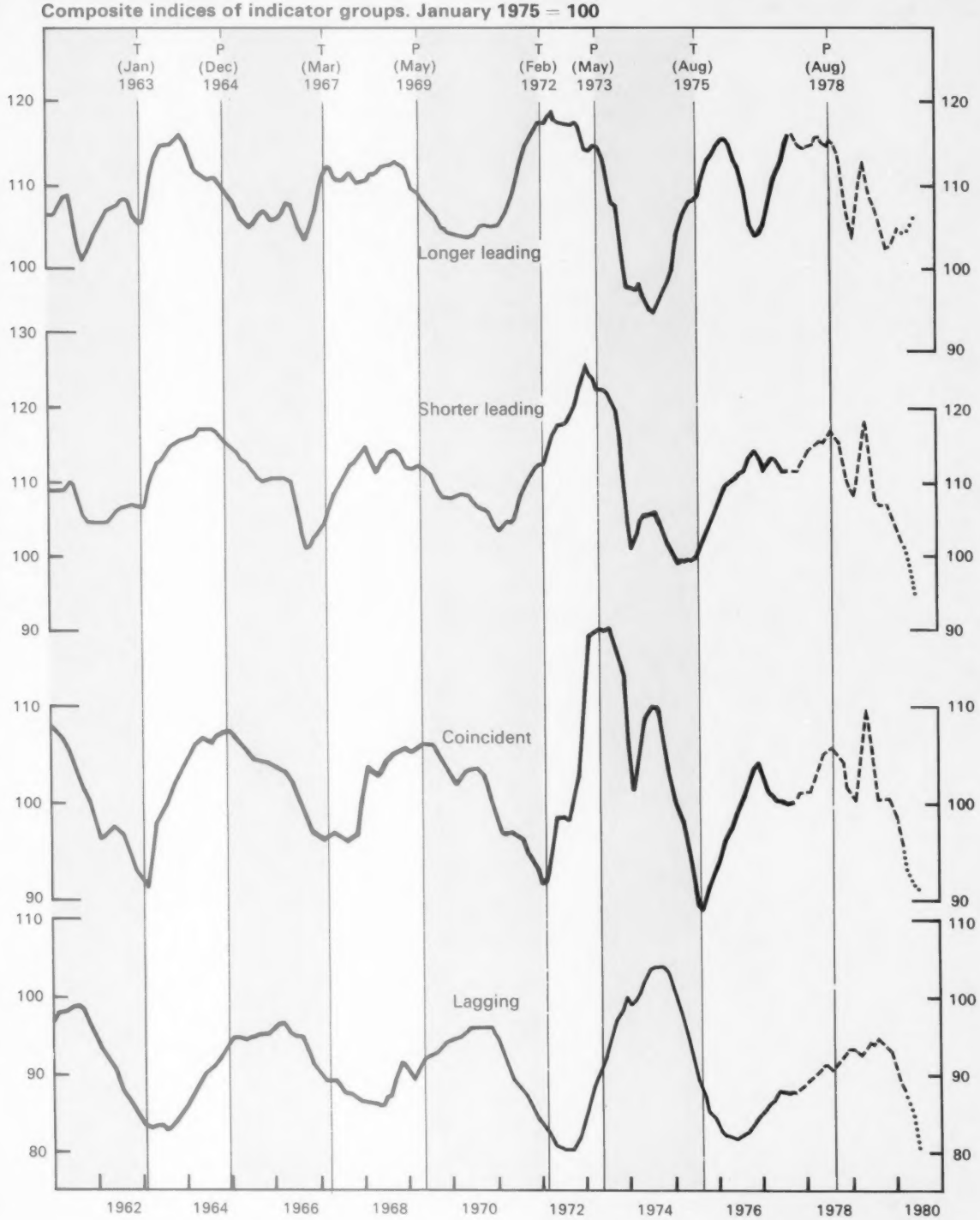
	Most recent values[2] January 1975 = 100												Lead (−) or lag (+) in months relative to reference cycle dates		
	1979					1980									
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Mean	Earliest	Latest
Longer leading ..	107·5 *5*	106·3 *5*	104·8 *5*	102·4 *5*	102·6 *5*	103·7 *5*	104·6 *5*	104·2 *5*	104·3 *4*	104·3 *4*	105·2 *4*	106·0 *3*	−13	−23	− 7
Shorter leading ..	107·7 *5*	106·8 *5*	107·0 *5*	106·8 *5*	105·6 *5*	104·2 *5*	102·9 *5*	102·0 *5*	100·9 *5*	99·4 *4*	37·3 *4*	94·6 *2*	− 5	−12	—
Coincident ..	101·7 *7*	100·3 *7*	100·4 *7*	100·5 *7*	99·9 *7*	98·5 *7*	96·7 *7*	95·6 *7*	93·2 *4*	92·4 *4*	91·6 *4*	91·3 *2*	+ 1	− 2	+ 5
Lagging	94·7 *5*	94·2 *5*	93·6 *5*	93·2 *5*	92·0 *5*	90·3 *5*	88·8 *5*	88·3 *5*	86·7 *3*	85·7 *2*	83·4 *2*	80·4 *2*	+11	+ 5	+18

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office. 01-233 6193.

Cyclical indicators

Composite indices of indicator groups. January 1975 = 100

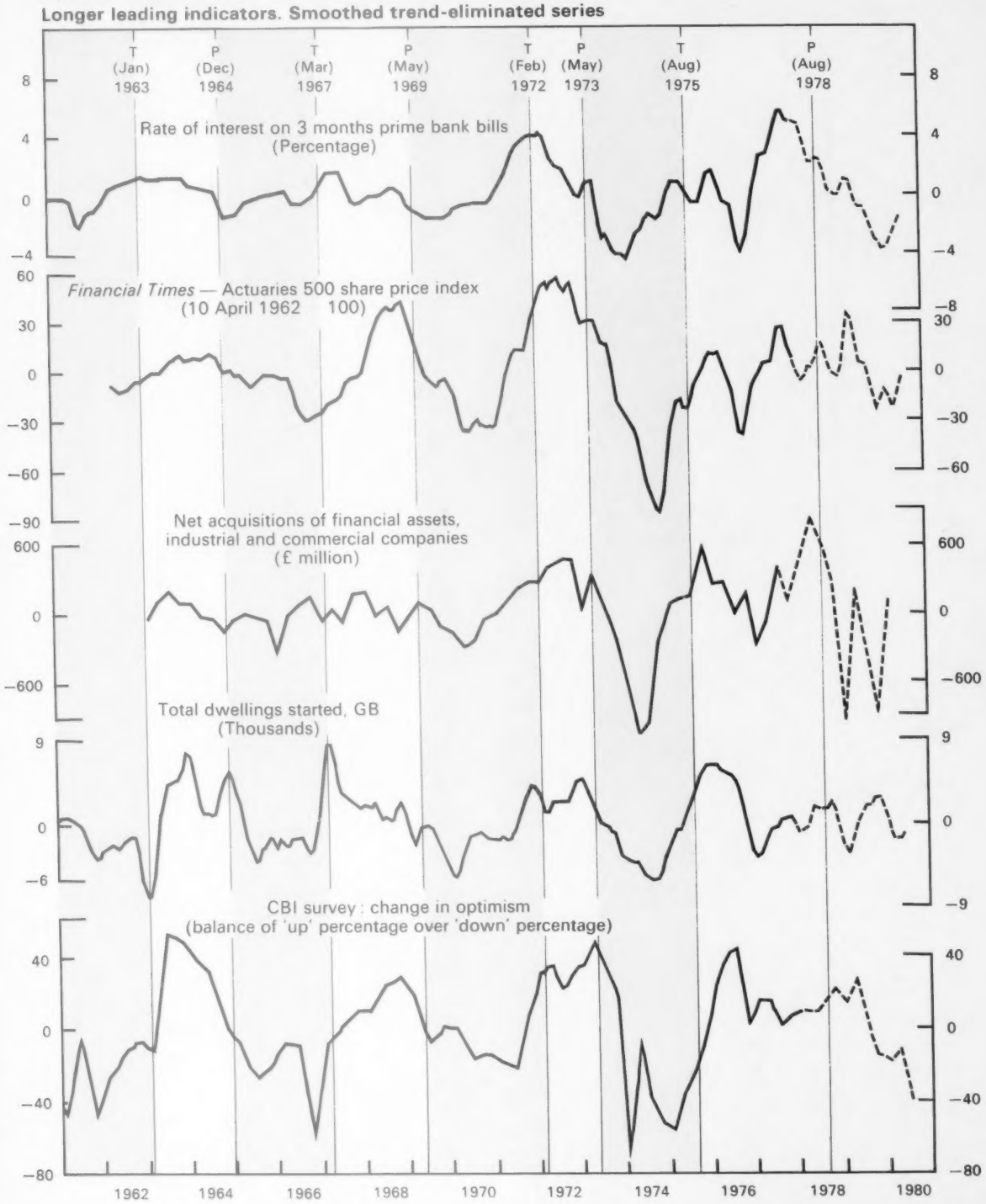


Cyclical indicators by timing classification

Longer leading indicators. Smoothed seasonally adjusted series

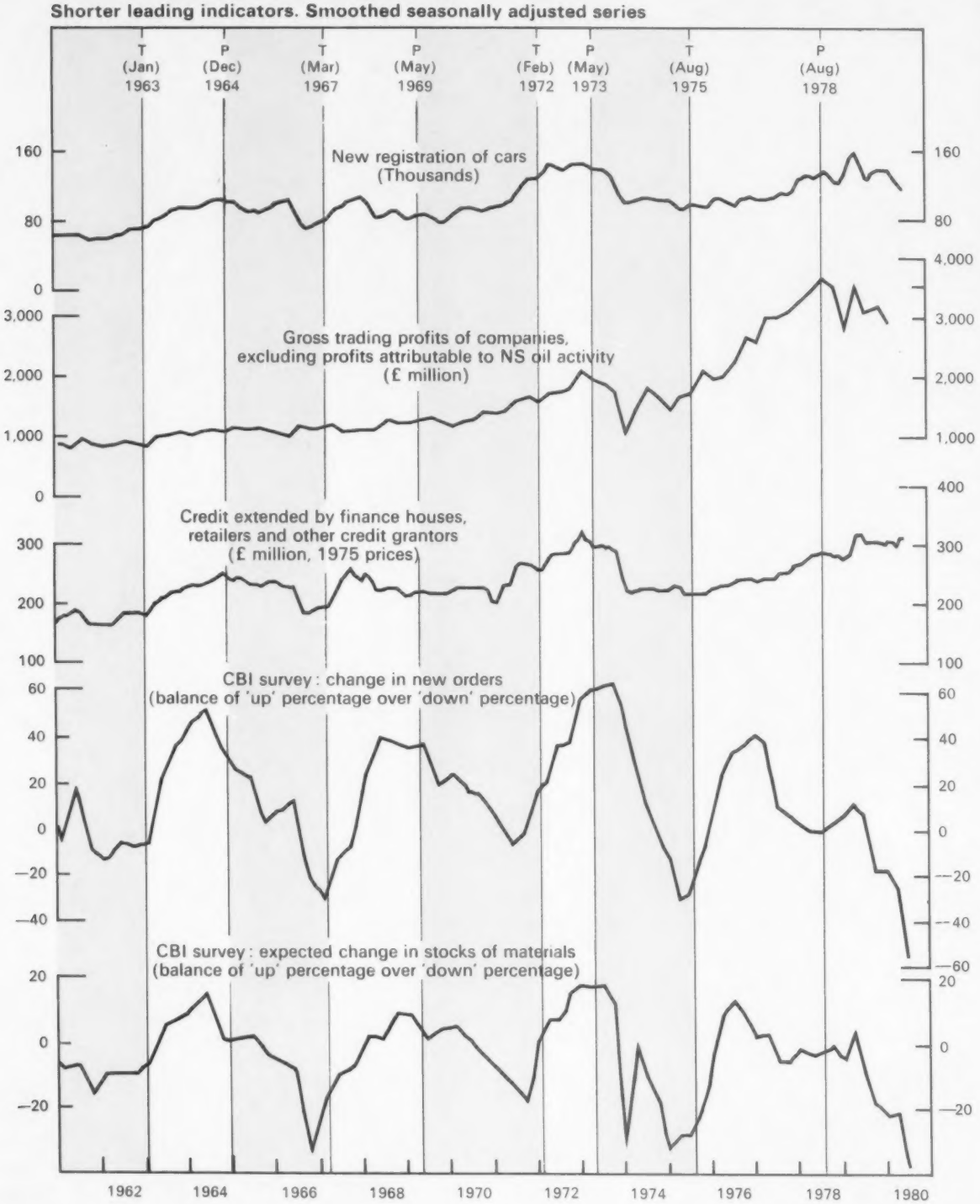
Cyclical indicators by timing classification

Longer leading indicators. Smoothed trend-eliminated series



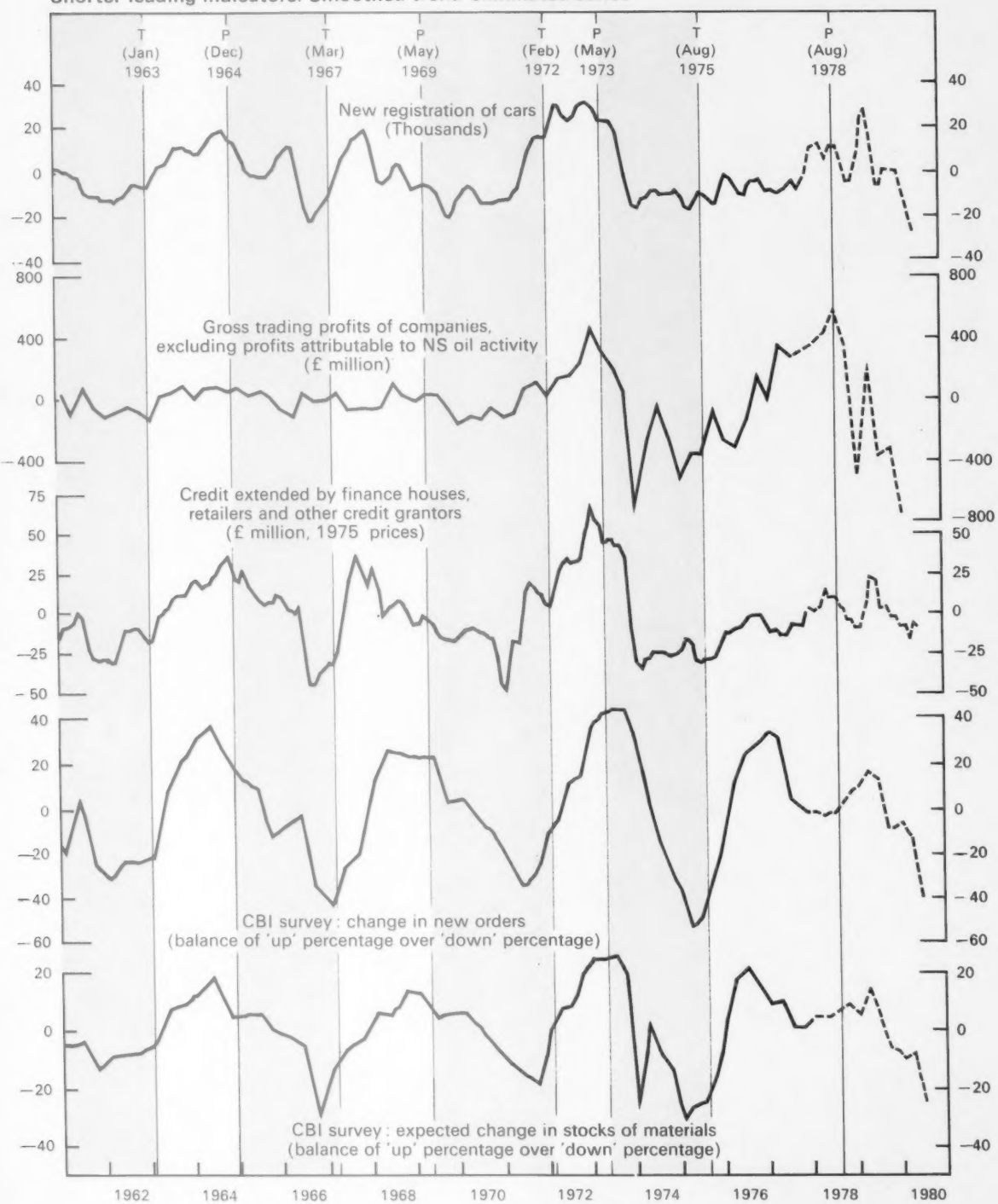
Cyclical indicators by timing classification

Shorter leading indicators. Smoothed seasonally adjusted series



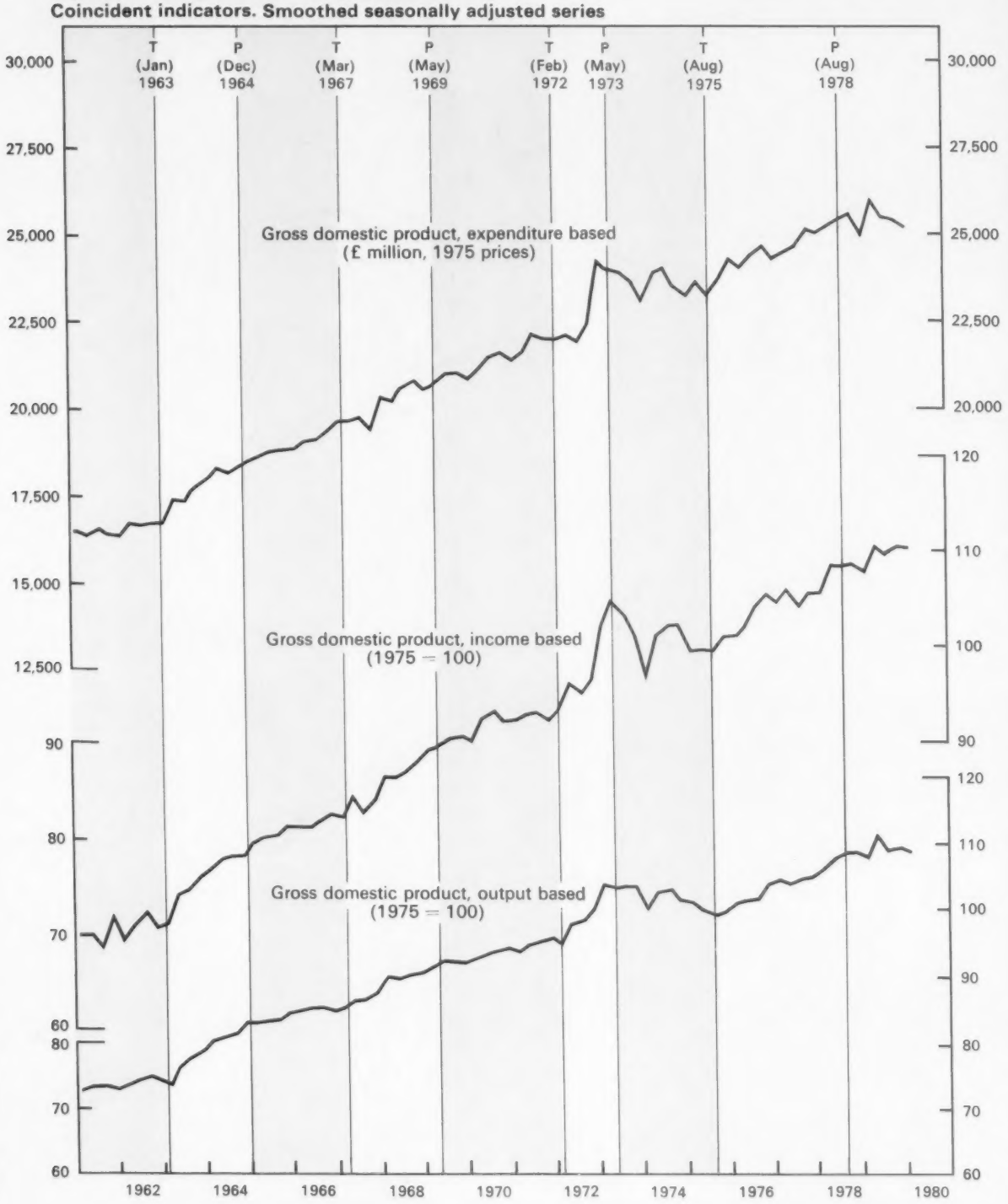
Cyclical indicators by timing classification

Shorter leading indicators. Smoothed trend-eliminated series

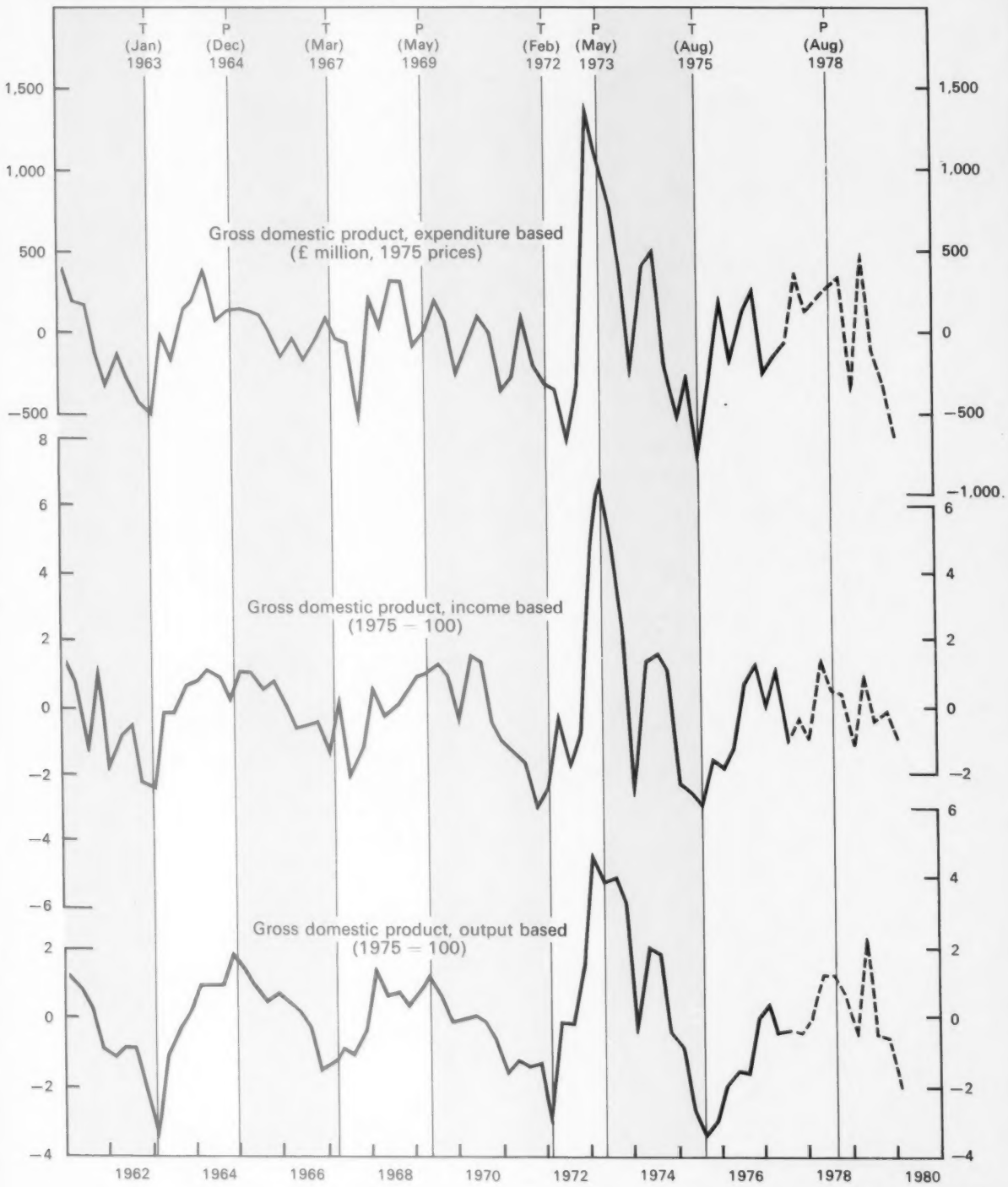

T (Jan) 1963
P (Dec) 1964
T (Mar) 1967
P (May) 1969
T (Feb) 1972
P (May) 1973
T (Aug) 1975
P (Aug) 1978
New registration of cars (Thousands)
Gross trading profits of companies, excluding profits attributable to NS oil activity (£ million)
Credit extended by finance houses, retailers and other credit grantors (£ million, 1975 prices)
CBI survey: change in new orders (balance of 'up' percentage over 'down' percentage)
CBI survey: expected change in stocks of materials (balance of 'up' percentage over 'down' percentage)
1962
1964
1966
1968
1970
1972
1974
1976
1978
1980

Cyclical indicators by timing classification

Coincident indicators. Smoothed seasonally adjusted series

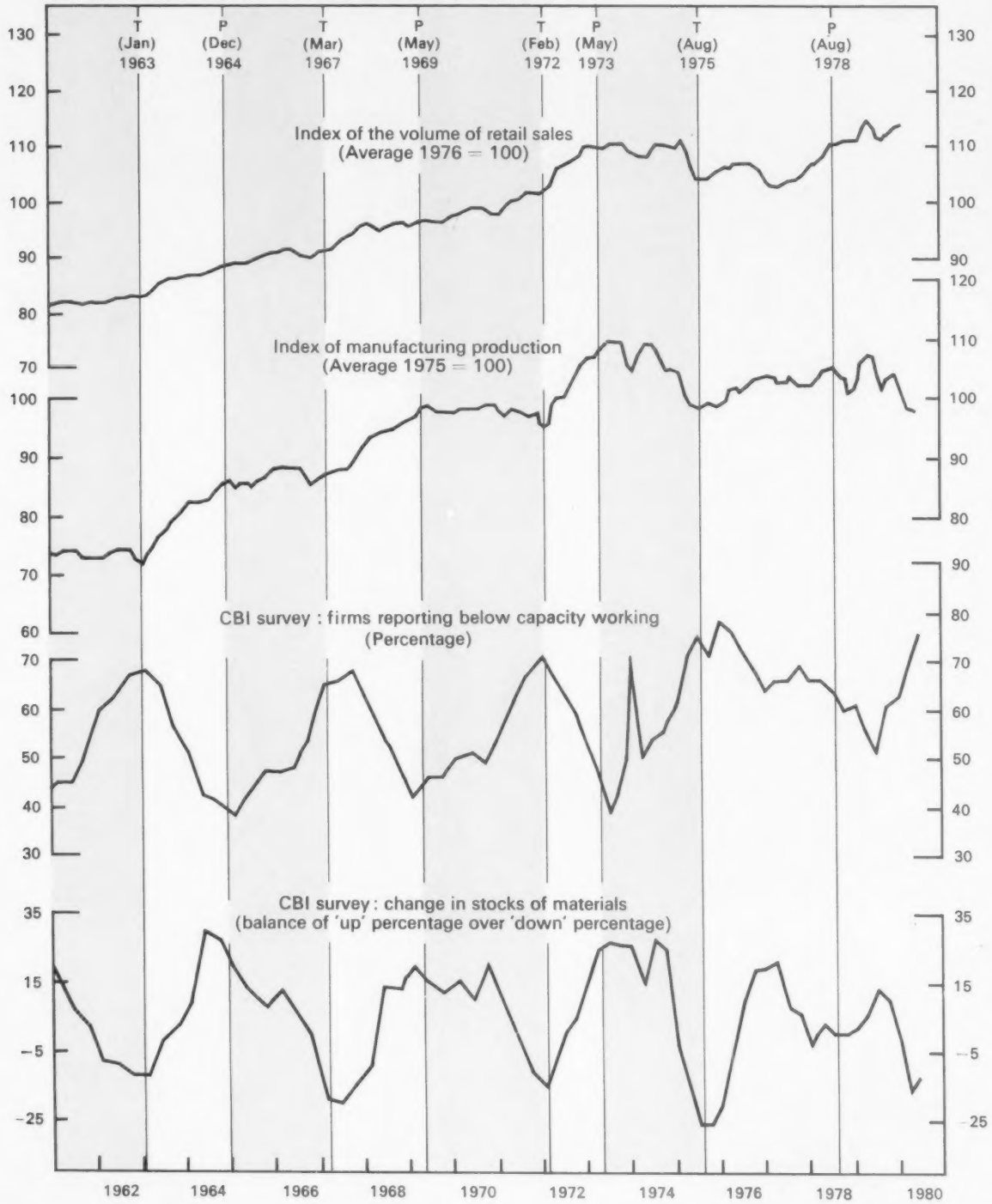


Cyclical indicators by timing classification
Coincident indicators. Smoothed trend-eliminated series



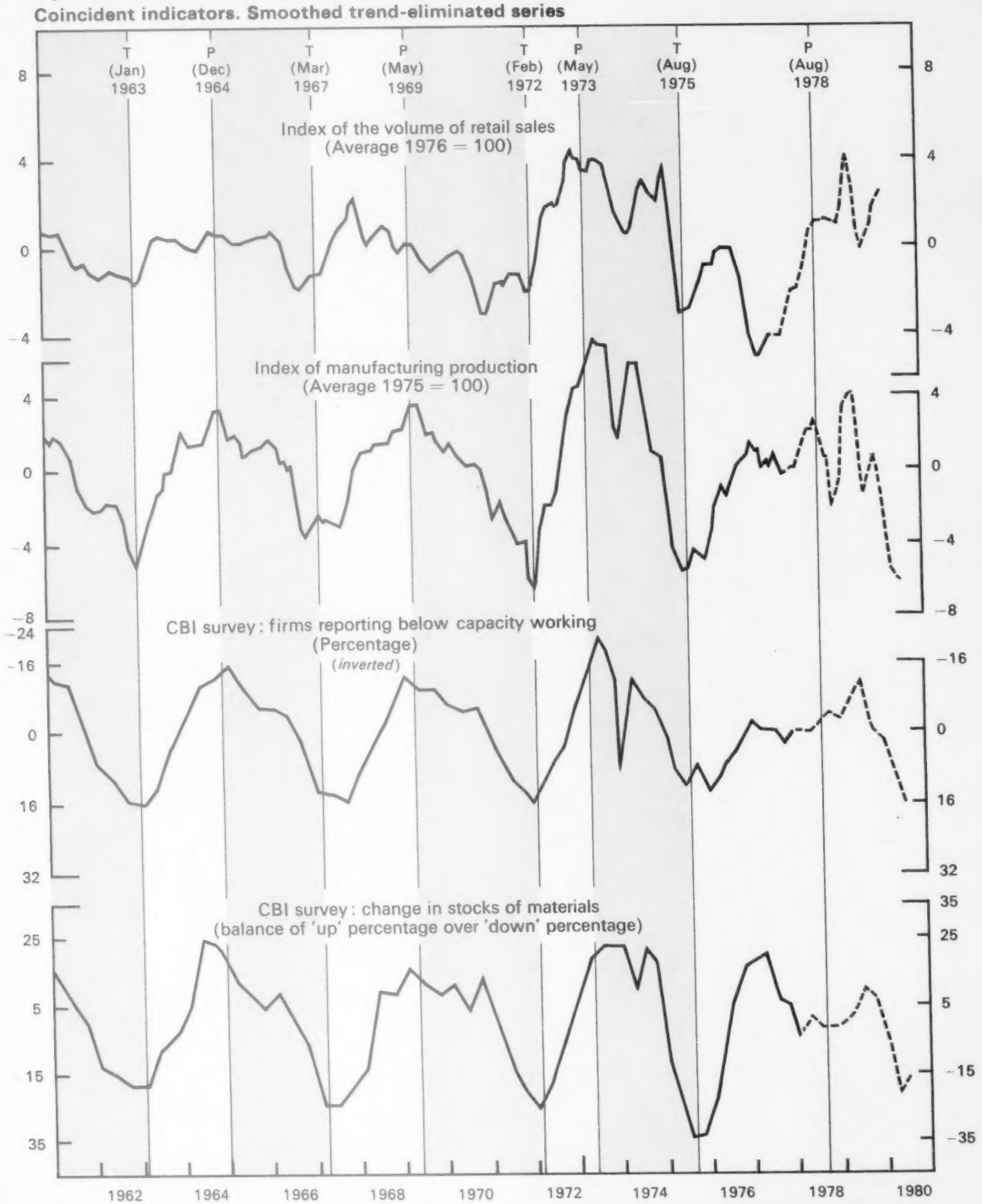
Cyclical indicators by timing classification

Coincident indicators. Smoothed seasonally adjusted series



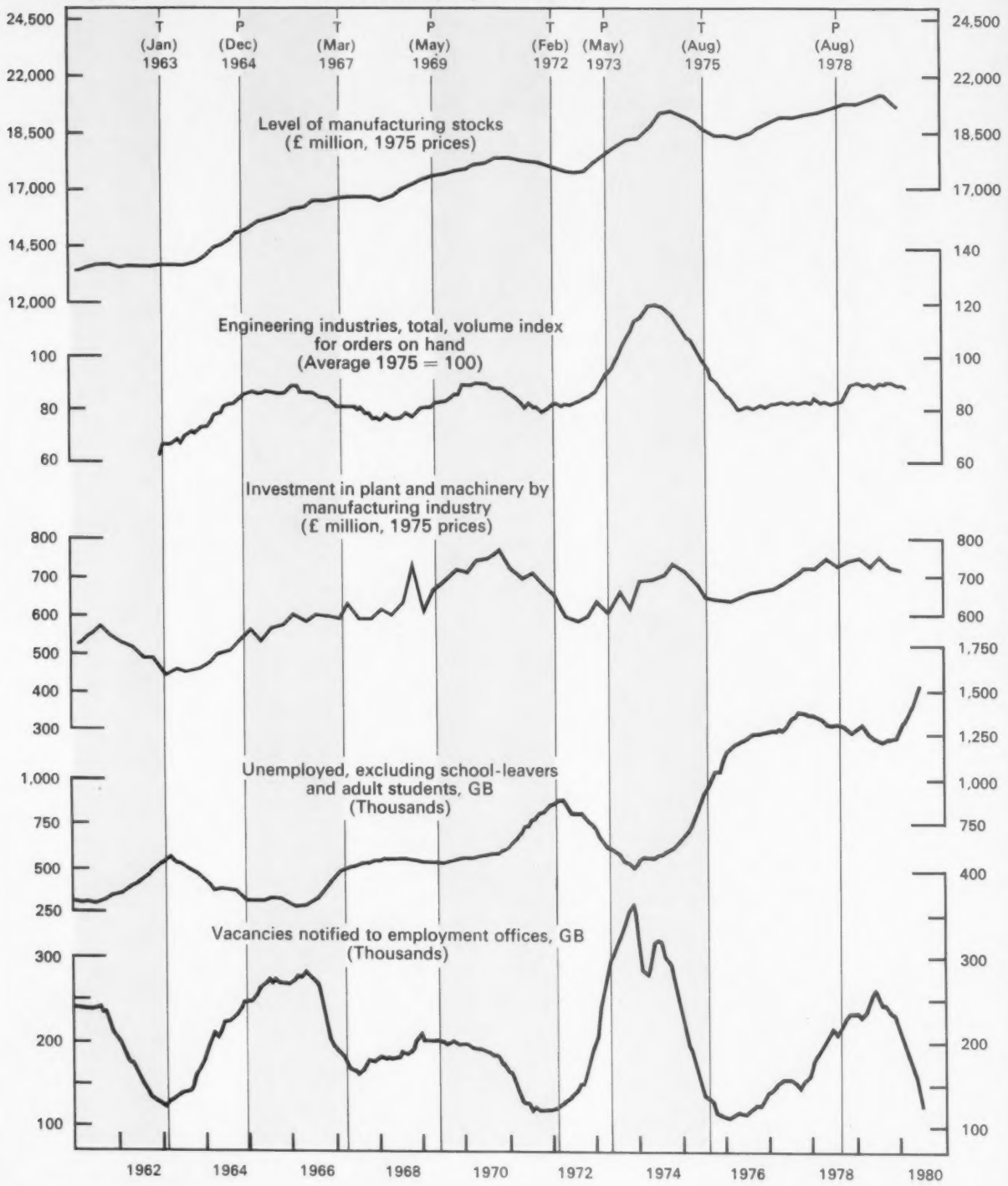
Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series



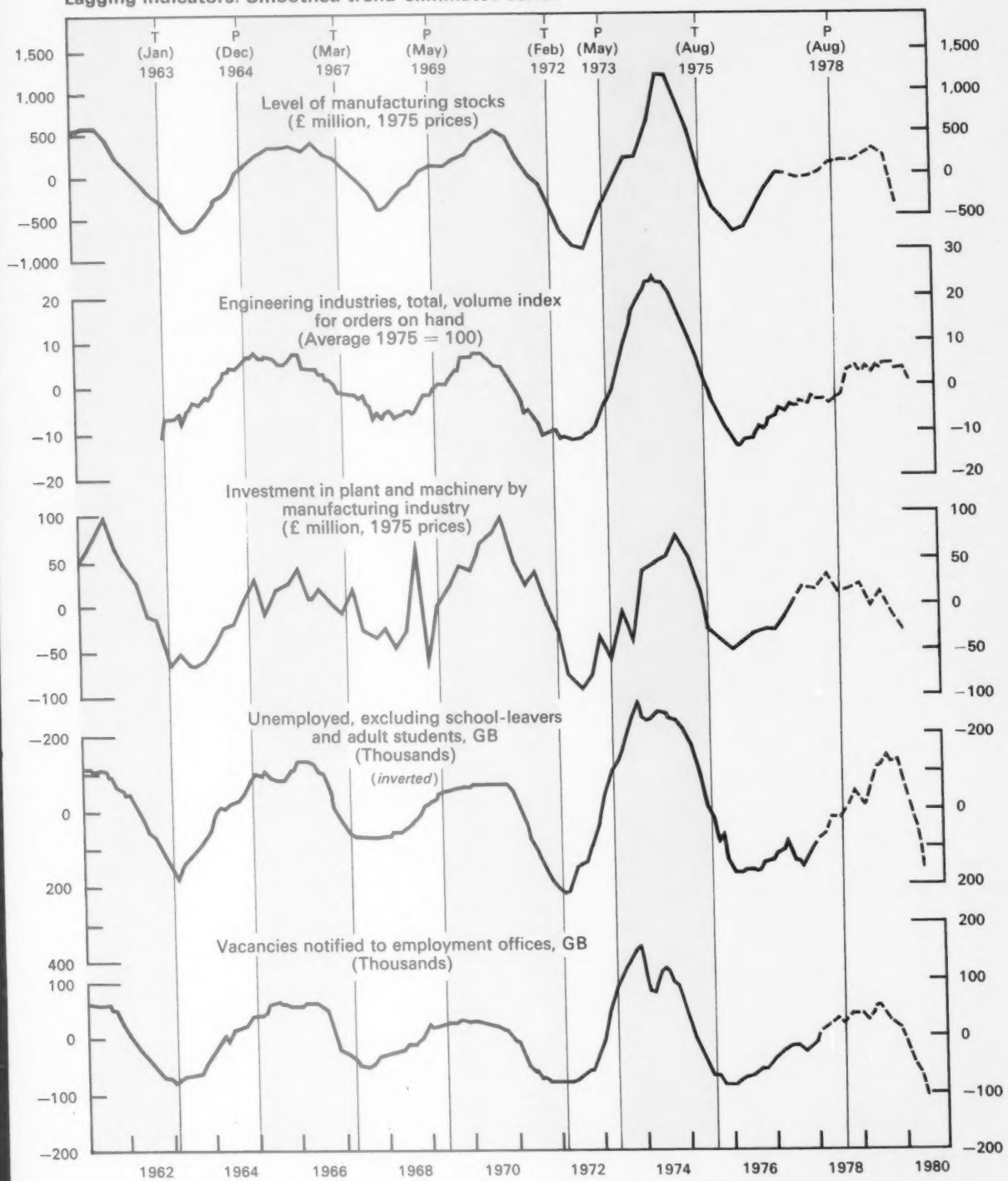
Cyclical indicators by timing classification

Lagging indicators. Smoothed seasonally adjusted series



Cyclical indicators by timing classification

Lagging indicators. Smoothed trend-eliminated series



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I/C}$	MCD or QCD	$\overline{I/C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1975 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1968 to 2nd quarter 1979	1·4	0·9	9·0	1·1	2	0·5
Income based	6	" " " " " " "	1·3	0·7	0·9	0·8	1	0·8
Output based	6,28	" " " " " " "	1·0	0·6	0·7	0·9	1	0·9
Average estimate	6	" " " " " " "	1·1	0·6	0·8	0·8	1	0·8
Consumers' expenditure	8,10	" " " " " " "	1·2	0·8	0·9	0·9	1	0·9
Fixed capital formation								
Total	8,16	" " " " " " "	1·7	1·3	1·0	1·4	2	0·5
Manufacturing industry	18	" " " " " " "	3·5	2·3	2·3	1·0	2	0·4
Stockbuilding[2]								
Total	8,22	" " " " " " "	*245·0*	*174·8*	*133·1*	1·3	2	0·6
Manufacturing	22	" " " " " " "	*129·2*	*83·8*	*81·0*	1·0	2	0·5
Exports: goods and services	8	" " " " " " "	3·4	2·6	1·8	1·4	2	0·6
Imports: goods and services	8	" " " " " " "	3·1	2·4	1·7	1·4	2	0·6
Personal disposable income	10	" " " " " " "	1·7	1·2	1·2	1·0	1	1·0
Other national income series								
Gross trading profits of companies	60	" " " " " " "	4·8	3·0	3·7	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1955 to 2nd quarter 1979	2·3	1·3	1·5	0·8	1	0·9
Public sector borrowing requirement[6]	56	" " 1971 " " " "	*367·4*	*321·6*	*197·6*	1·6	2	0·5
Monthly series								
Retail sales								
Total: current prices	12	January 1971 to December 1979	1·8	1·3	1·1	1·2	2	0·6
Total: constant prices	5,12	" " " " "	1·4	1·3	0·3	4·1	5	0·9
Food retailers	12	" " " " "	0·7	0·6	0·3	2·1	3	0·7
Mixed retail businesses	12	" " " " "	1·5	1·3	0·5	2·6	3	0·9
Clothing and footwear retailers	12	" " " " "	2·0	1·9	0·4	4·6	5	0·9
Household goods retailers	12	" " " " "	2·0	1·6	0·9	1·9	3	0·7
Other non-food retailers	12	" " " " "	1·2	1·0	0·5	2·0	3	0·7
Cars: new registrations	12	January 1971 to December 1978	8·1	7·8	1·7	4·6	5	1·0
Housing: public authorities[4]								
Starts	20	January 1956 to December 1979	11·9	11·6	1·7	6·8	6	
Completions	20	" " " " "	7·9	7·8	1·2	6·5	6	1·0
Housing: private								
Starts	20	" " " " "	8·6	8·3	2·4	3·5	4	0·9
Completions	20	" " " " "	6·2	6·1	1·0	6·1	6	1·0
Index of industrial production:								
All industries	5,26,28	January 1973 to December 1979	1·1	1·0	0·5	2·1	3	0·8
Manufacturing industries	26	" " " " "	1·5	1·3	0·5	2·7	4	0·7
Passenger car production:								
Home market	32	January 1968 to December 1979	12·9	12·7	2·2	5·7	6	
Export	32	" " " " "	11·9	11·7	1·0	11·7	6	
Commercial vehicle production:								
Home market	32	" " " " "	9·7	9·5	1·7	5·6	6	
Export	32	" " " " "	10·4	10·0	2·1	4·9	6	0·9
Unemployed excluding school-leavers[5]	5,36	January 1961 to December 1979	*13·2*	*4·5*	*11·9*	0·4	1	0·4
Vacancies notified to employment offices[5]	5,36	August 1960 to December 1979	*5·8*	*2·4*	*5·2*	0·5	1	0·5
Average earnings (older series): production industries and some services	40	January 1963 to December 1979	1·0	0·4	1·0	0·4	1	0·4
Exports: value, f.o.b.[7]	48	January 1963 to March 1980	4·8	4·5	1·4	3·3	4	0·9
Imports: value, f.o.b.[7]	48	" " " " " "	4·4	4·1	1·4	2·9	4	0·7
Money stock (sterling M_3)[3]	5,52	July 1971 to December 1977	1·3	0·6	1·2	0·5	1	0·5
Domestic credit expansion[3]	54	July 1971 to September 1977	94·1	73·3	17·9	4·1	5	1·0

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 226, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3], [6] and [6].

$\overline{I/C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I/C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

[6] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

[7] The figures have been updated as described in an article in *Economic Trends*, No. 320, June 1980.

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Measuring the public sector borrowing requirement

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The public sector borrowing requirement (PSBR) is an important statistic for interpreting the impact of government policies on the rest of the economy and in particular on financial markets and the money supply. Careful judgement is needed in assessing its significance in different contexts but it clearly needs to be measured accurately and consistently over time.

The PSBR is a fairly young statistic. It evolved from the central government borrowing requirement (CGBR), which had been in use for many years before the emergence of the PSBR in the late 1960s.[2,3] The authorities, that is the Bank of England in consultation with the Treasury, in their day-to-day operations in the markets for Treasury bills and government stocks had been using the government's total financing requirement as a key figure. The same general concept was later extended to the public sector as a whole in the form of the PSBR. This wider coverage was more suitable for general economic and financial policy making and it could be linked with the budgetary framework and figures for public expenditure.

The public sector comprises central government, local authorities and public corporations; its detailed composition is described in Annex A.[3] Emphasis is put on the borrowing requirement of the whole public sector because government financial control extends over the whole sector, both through the public expenditure programme and, on the financing side, through the central government's borrowing to meet not only its own needs but also a large part of those of the rest of the public sector.[4] In return for access to funds through the central government, the rest of the public sector makes any temporary surpluses available to reduce the sector's overall borrowing requirement by investing them in public sector debt rather than in other assets. As a statistic, the PSBR has the advantage of not being affected by any switching by local authorities and public corporations between borrowing from central government and from the market, particularly when borrowing in foreign currency from banks or overseas has been encouraged by central government for balance of payments purposes through the exchange cover scheme. At the same time, the CGBR remains an important figure for the Treasury and the Bank, since the central government borrows in different markets from local authorities and public corporations, and their borrowing does not have the same impact on the banking system as that of the central government.

This article describes the PSBR and how it is measured; it explains how it is related to the national accounts, and it examines changes in its composition since 1963, the earliest year for which the data are available on current definitions.[5] First, however, the article takes a brief look at the growth in the PSBR and at the relationship between the PSBR and the money supply.

Growth since 1963

Chart 1 compares the PSBR at current prices with the PSBR as a percentage of gross domestic product (GDP), based on data in Table 1. In current terms the PSBR fluctuated relatively little from 1963/64 to 1971/72 (though it was negative, i.e. a net repayment, in 1969/70) but then rose sharply until 1975/76; it fluctuated after that but remained higher than at any time in the previous ten years. The PSBR as a percentage of GDP is in many ways a more useful measure of the changes over time, not least because it makes some allowance for inflation. It fluctuated rather more widely than the current price series in the earlier years, and rather less in the later years, but it still showed the pronounced rise from 1971/72 to 1975/76, when it reached nearly 10 per cent of GDP; and although it fell after 1975/76, it remained generally above the levels of before 1972/73.

Link with money supply

The relationship, in accounting terms, between the PSBR and sterling M3, the measure of the money supply to which the government's target relates, can be seen by arranging the balance sheet of the banking system and details of public sector financing as in Table A.[6]

In Table A the balance sheet relationship determines that:

$$a + b + c = d + e.$$

In purely accounting terms, it can be seen from the table that public sector borrowing from banks (a) represents an increase in the banking sector's total assets which will in turn generally tend to be reflected in charges in UK residents' sterling bank deposits (d), the major component of sterling M3. This accounting relationship does not, however, carry any implications for economic behaviour.

[1] The authors would like to express their thanks for the great help they have received from colleagues in the Treasury, Bank of England, Department of the Environment, and Central Statistical Office.

[2] There is no mention of the PSBR in the Report of the Committee on the Working of the Monetary System (the Radcliffe Report), in 1959, though the report does emphasise the importance of public sector borrowing (e.g. paragraph 123). Total public sector borrowing became important in the analysis and forecasting of financial transactions between sectors and was mentioned frequently in the *Bank of England Quarterly Bulletin*. The first mention of the 'public sector borrowing requirement' in print seems to be in an article 'Money supply and domestic credit' in *Economic Trends*, No. 187, May 1969.

[3] Definitions of 'government', public sector, budget deficit, borrowing requirement, etc. vary widely between countries, making comparisons hazardous. The general position was described in an article 'International comparisons of public sector financial balances' in *Economic Trends* No. 271, May 1976. Since then there have been some moves by international agencies to develop standard definitions of the public sector and borrowing requirement.

[4] Local authorities can borrow only for purposes which have been authorised by act of Parliament and within the limits of loan sanctions issued by central government. They must have Treasury consent for borrowing from overseas. Their borrowing from central government through the National Investment and Loans Office is subject to a quota system; local authorities may borrow only up to 60 per cent of their quotas before the end of September. Local authority expenditure is influenced by the level of central government grants paid to assist their current expenditure and by *cash limits* set by the Treasury on some capital programmes. Public corporations' borrowing is subject to limits laid down by Parliament. In addition borrowing by nationalised industries and some other public corporations, and the capital expenditure of the remaining corporations, is included in *public expenditure* and is controlled by *external financing limits*.

[5] Calendar year figures back to 1952 are given in the *Bank of England Statistical Abstract Number 1, 1970* (Table 12(2)); split between central government and other public sector. The figures for the earlier years are less accurate because fewer data were available for the other public sector; in addition the split was differently defined at different times. The financial accounts were developed during the 1960s in response to the Radcliffe Report and began with 1963. Only rough estimates are available for earlier periods.

[6] More detailed descriptions of the relationship, including the accounting link with domestic credit expansion (DCE), are given in, for example, an article 'DCE and the money supply – a statistical note' in the *Bank of England Quarterly Bulletin*, March 1977, *Financial Statistics Explanatory handbook* 1980 Edition (page 72) and, more recently, an article in the Treasury's *Economic Progress Report*, July 1980.

PSBR, sterling M3, and the banking sector balance sheet

TABLE A

PSBR		Banking sector: net increase in:			Sterling M3
		Total assets	Total liabilities		
Sterling borrowing from banks	*a*	Sterling lending to public sector	Sterling deposits of UK residents	*d*	UK residents' sterling bank deposits.
—	*b*	Sterling lending to non-bank private sector	Sterling deposits of overseas residents	*e*	—
—	*b*	Sterling lending to overseas residents	Foreign currency deposits	*e*	—
		Foreign currency lending:	Net non-deposit liabilities		
Foreign currency borrowing from banks	*c*	Public sector			—
—	*c*	Other			—
Borrowing from the non-bank private sector: Notes and coin					Increase in notes and coin in circulation
Other					—
Borrowing from overseas and other foreign currency borrowing					—
Total PSBR					Total increase in sterling M3

In particular, when the PSBR, or any other individual item in the relationship, changes this may well be accompanied by changes in the other items so that the effect on the money supply is not one for one. For instance, an increase in the PSBR may be accompanied by an increase in private sector financial wealth leading possibly to more purchases of public sector debt by the non-banks and perhaps to lower bank lending to the private sector, and these will influence the net effect on sterling M3. The relationship between PSBR and sterling M3 will also depend critically on the level and structure of interest rates and hence on the monetary policy being pursued.

The PSBR in the national accounts

The PSBR is one of several balances struck in the nationa accounting system and it is convenient to start describing it by locating it in the framework of these accounts. For the public sector, as for other sectors, national accounts classify transactions into current, capital and financial accounts. The balance on current account, *the current surplus* (or *saving*), is taken into the capital account, which culminates in a second balance termed the *financial surplus* or *deficit*, also called the *net acquisition of financial assets* (*NAFA*). This represents either the net amount the sector has left over for lending to other sectors or alternatively the net amount the sector must borrow to balance its books. The financial account sets out the transactions that resolve this surplus or deficit. In principle, a surplus may be employed in lending or repayment of existing debt and a deficit met by borrowing or calling in existing loans. In practice, the picture is always complicated by all four types of transaction taking place in the same accounting period, together with other transactions (effectively transformations of existing debt), since it is only necessary for the net total of all financial transactions to equal the surplus or deficit. The PSBR is a balance struck within the public sector's financial account between transactions which, though financial in nature, are part of public expenditure (such as lending to other sectors) or otherwise closely linked to the operational activity of the sector (such as giving or receiving trade credit) and the remaining financial transactions, mainly borrowing, which can be regarded as constituting the underlying dependence on other sectors for funds.[7]

Chart 2, which compares the PSBR with the public sector current surplus and net acquisition of financial assets (NAFA), also based on data in Table 1, goes some way towards explaining variations in the PSBR since 1963/64. Until about 1972/73 the PSBR moved closely with the public sector financial deficit which in turn closely followed the variations in the current surplus. From 1972/73 the financial deficit and the PSBR tended to diverge but both increased sharply as inflation affected capital expenditure and stockbuilding in current price terms, though the current surplus continued to fluctuate within much the same range as previously. Exceptionally the PSBR was less than the NAFA in 1977/78, in part because the government sold a large amount of its holding of British Petroleum stock, which helped to finance the NAFA without adding to the PSBR.

Table 2, which sets out a summary current, capital and financial account for the public sector in 1979, shows the points at which the three main balances are struck, with the borrowing requirement at an intermediate stage in the financial account. Items in the accounts are said to be '*above the line*' or '*below the line*' according to whether they fall above or below the balance in question in this vertical presentation.[8] Items above the borrowing require-

[7] In fact the PSBR is not distinguished in the standard presentation of the financial accounts, for example in *Financial Statistics* Section 1. But the location of its central government, local authority, and public corporation components in the financial accounts can be seen in *Financial Statistics* Tables 3.7, 4.2 and 5.2 respectively.

[8] The expressions *above* and *below the line* also refer traditionally, and quite separately, to the line in the Exchequer or Consolidated Fund account (the central account of the Government kept by the Treasury at the Bank of England) which used to distinguish between, *above the line*, payments in respect of which Parliament had not given the Treasury power to borrow and receipts which Parliament had not given the Treasury power to use for the service of debt and, *below the line*, payments and receipts in respect of which Parliament had given such powers. Since the passage of the National Loans Act 1968, and the establishment of the National Loans Fund on 1 April 1969, the expressions no longer apply in that context.

Components of the PSBR, 1979/80

TABLE B

	£ million		£ million
More usually		*Alternatively*	
CGBR	8,228	CG own account borrowing requirement	4,260
LA contribution	2,126	LABR	2,943
GGBR	10,354		
PC contribution	– 390	PCBR	2,761
PSBR	9,964	PSBR	9,964

ment line (approaching it from the current and capital account) are regarded as determining the size of the borrowing requirement, and items below as financing it, accommodating to its otherwise determined size. For this reason, items above the line are said to be *included* in the borrowing requirement, and items below *excluded* from it. This terminology can be confusing since the borrowing requirement is calculated in practice by measuring and adding up the various financing items below the line which make it up.[9] Reliable, comprehensive figures are available more quickly for these items, and they are less susceptible to revision. The residual (unidentified items) is recorded above the line.

The borrowing requirements shown in Table 2 are those *on own account*. For local authorities and public corporations these are their borrowing requirements (LABR and PCBR respectively) but the CGBR and the general government (i.e. central government *plus* local authorities) borrowing requirement (GGBR) are defined as including borrowing to finance direct on-lending to other parts of the public sector. The GGBR thus includes direct on-lending to public corporations and the CGBR includes direct on-lending to local authorities and public corporations. For local authorities and public corporations, the totals of the items below the borrowing requirement line other than their direct borrowing from central government are termed their *contributions* to the PSBR. There are therefore the two ways of looking at the components of the consolidated PSBR shown in Table B.

The *contributions* equal local authority and public corporation borrowing apart from direct borrowing from central government *less* their net purchases of public sector debt.

Items in the current and capital accounts are recorded, where practicable, on an accrued basis, i.e. when amounts become due rather than when payments are actually made. Items in the financial account are recorded on a cash basis, i.e. when payments are made. This difference reflects different objectives: the current and capital accounts set out the results of economic activity (production, consumption and capital formation) in each period; the financial accounts set out the cash flows, i.e. actual receipts and payments, in financial markets in the period.[10] In fact, it is not practicable for transactions in the various types of financial asset and liability to be other than on a cash basis. Entries for bank deposits, for example, in the books of the banks or the holders do not generally include interest or other credits due but not yet added to the account. Leaving aside the practical problem of identifying transactions, timing differences between accrued and actual payments or receipts in the current and capital accounts are entered in the financial account either by overt credit transactions or by implied credit transactions in the form of *accruals adjustments*, while cash receipts and payments are reflected in the transactions in financial assets. The adjustment is built up item by item of the current and capital accounts as the difference between the amount due and the amount received or paid in the period and is entered in the financial account, between the NAFA and the borrowing requirement lines.[11]

Asset sales by the public sector are classified above or below the line according to the type of asset. If they are fixed assets, for example, their sale is classified as negative capital expenditure in the capital account, i.e. above the line, with the effect of reducing the borrowing requirement. If the assets are shares in a private sector company (including a company that is publicly owned but included in the private sector) or some other form of private sector debt, their sale is recorded in the financial account, and again above the line, reducing the borrowing requirement. If, however, a public sector body finances itself by selling shares or some other financial interest in itself, this constitutes sale of public sector debt and is classified below the line as an item financing the borrowing requirement, just like the sale of gilts or any form of public sector debt.

Financing the PSBR

Table 3 is an expanded form of the summary financial account in the lower part of Table 2 below the borrowing requirement line. Vertically the account has been analysed between the various types of transaction which finance the borrowing requirements. Horizontally, it has been extended to show the counterpart transactions of the other sectors. Table 3 therefore shows, for 1979/80, the net flows between the three components of the public sector, and between the sector as a whole and each of the other sectors in each financial instrument. The figures include transactions in existing debt as well as borrowing and repayment. They are 'net' in that they record borrowing net of repayment, issues net of redemptions, sales net of purchases, etc. They therefore do not show separately the large amounts of

[9] Forecasts of the PSBR are made by forecasting the components of the public sector's current and capital accounts, and of its financial account above the line, and calculating the PSBR as the balance. They are based on policy decisions (e.g. public expenditure programmes), tax rates, estimated activity levels, etc. But the method is liable to sizeable errors since relatively small errors in the large flows above the line can have a disproportionate effect on the balance.

[10] The PSBR, being built up of items within the financial account, is therefore itself a cash flow (but see note 11). Statistics of outstanding public sector debt, on the other hand, are at present published in terms of nominal value (see, for example, *Financial Statistics*, February 1980, Supplementary Table D). The reconciliation between the PSBR and the nominal value of the outstanding debt is discussed in an article 'Public sector debt' by David Reid in *Economic Trends*, No. 283, May 1977, and a reconciliation for 1974/75 is given in Table 3 of the article.

[11] In principle, all accrued interest payments are included in the current account and offset in the accruals adjustment. There are, however, some exceptions. Thus, accrued interest on National Savings certificates and Save as You Earn investments is treated differently. For these investments, the accrued interest is shown as paid out in the current account and as simultaneously reinvested in the certificates, etc. in the financial account below the borrowing requirement line.

refinancing that take place, or the redistribution of holdings of existing debt.[12]

Compilation of the PSBR

(*i*) *Central government*

As mentioned earlier, the PSBR and its sub-sector components are calculated by adding up the transactions financing them, not by calculating the balance of the current, capital and other transactions above the borrowing line. This means that unidentified differences between the estimates of current and capital items, etc. above the line and the financing items below the line all fall above the line. Simultaneous (and residual free) derivation of the CGBR from above and below the line is possible on the basis of the cash figures in the Consolidated Fund and National Loans Fund accounts, which measure receipts by the Consolidated Fund, supply issues, and other items at the boundary of those accounts, but not on the economic basis of the national accounts, which measure receipts and expenditure at the outer boundary of central government. The unidentified items in the national accounts occur because, for example, some receipts reported by, say, Inland Revenue will not yet have reached the Consolidated Fund and some cheques made out by departments will not yet have been presented, so the full effects will not yet have appeared in the government borrowing figures.

The CGBR is known promptly from official sources since it is calculated by the Treasury and Bank of England as a by-product of balancing the central government accounts. Government revenue and expenditure, which is channelled through the Consolidated Fund, is brought into daily balance by a transfer to or from the National Loans Fund. All central government borrowing, most lending (a small proportion is made directly by departments effectively from the Consolidated Fund) and the related interest payments and receipts are accounted for through the National Loans Fund. The net borrowing of the National Loans Fund, with the changes on other central government funds and accounts, constitutes the CGBR.[13]

The portfolios of these other central government funds are administered by the National Investment and Loans Office (NILO) and are mostly invested in central government debt, mainly British government securities (gilts). For example, a surplus in the National Insurance Fund, the largest of these funds, (i.e. an excess of income over expenditure, the largest constituents of which are contributions received, including the central government's supplement from the Consolidated Fund, and benefits paid) would be mainly invested in central government debt thus reducing the CGBR, i.e. the amount to be borrowed outside the central government sector.[14]

The main central government accounts, that is the Consolidated Fund, National Loans Fund and the Paymaster-General's accounts (which cover the National Insurance Fund, the Exchange Equalisation Account and the accounts of government departments) are held at the Bank of England and, with the Issue Department of the Bank,[15] are run as a single group. The cash balances of the group are effectively pooled and normally reduced at the end of each day to token amounts. If there is surplus cash, it is used to buy Treasury bills from the Bank of England Banking Department; if there is a net deficit, bills are sold. In this way the central government balances its books daily, even though government borrowing through most instruments cannot be exactly regulated daily.

Figures derived from the accounts of the Consolidated Fund, the National Loans Fund and the Paymaster General at the Bank of England are cash flows, and the transactions of the Consolidated Fund are mainly with departments, which in turn conduct most of the transactions with other sectors. They are therefore very different from the central government figures in the national accounts, which relate to transactions with other sectors, where possible on an accruals basis. The CGBR can nevertheless be essentially derived from the Bank of England accounts both because they are on a cash basis and because, although the CGBR is defined as borrowing measured at the boundary of the central government sector, the pipelines to the boundary are generally short. One major exception is the time it takes for money raised from national savings securities and deposits to reach the main accounts. This does not affect the daily financing process described above, which is concerned only with position in the accounts at the Bank of England. But the published figures for CGBR include an adjustment (which is subject to revision some months afterwards) to allow for national savings in the course of transmission.[16]

(*ii*) *Local authorities*

There is no central accounting system for local authorities and information about the LABR is obtained from a variety of sources, much of it from a survey of local authorities' borrowing, and recently also of their lending, administered by the Department of the Environment. This survey is addressed quarterly to all local authorities in the United Kingdom, about 550, and monthly to a sample of about 150. The authorities are asked to record their borrowing analysed between temporary (i.e. initial maturity less than one year) and longer-term borrowing, further analysed between marketable and non-marketable debt, and within non-marketable debt by type of lender.

The LABR is financed by direct borrowing from central government[17] *plus* other borrowing, *less* net purchases of other public sector debt (i.e. central government and public corporation debt) as illustrated in Table 2. Direct borrowing from central government comprises borrowing from the National Loans Fund, channelled through NILO and the Northern Ireland Government Loans Board, with a small proportion from departments, mainly finance for tunnels and bridges. Data from central government sources are used for these items in preference to data from the survey of borrowing and lending since they are likely to be more timely, rather more accurate and are consistent with the other central government figures in the national accounts. These items are nevertheless included in the survey to make it a complete statement of local authority borrowing, which minimises the risk of data being missed and provides some check on the accuracy of the figures. Data for the other borrowing excluding borrowing from other local authorities (but including borrowing from their own pension funds, which are classified as financial institutions, i.e. as part of the private sector) are obtained from the survey.

[12] The meaning and treatment of some of the items such as 'exchange cover scheme, payments of claims' and 'changes in official reserves', may not be widely known. Explanations of the items are given in the *Financial Statistics Explanatory Handbook* (e.g. on pages 19 to 29, 43 to 45, and 51 to 56 in the 1980 edition).

[13] This derivation of the CGBR is illustrated in *Financial Statistics* Table 3.1.

[14] A small part of the National Insurance Fund is invested in local authority debt. This is recorded below the CGBR line, which ensures that the CGBR is unaltered whether the National Insurance Fund is invested in central government or local authority debt.

[15] The Issue Department of the Bank of England is treated as part of central government in the financial accounts, while the Banking Department is included in the banking sector (i.e. within the private sector).

[16] In addition to the adjustment for accrued interest described in note 11.

[17] Direct in this context implies bilateral borrowing by means of non-marketable instruments. Indirect borrowing takes place when central government takes up local authority (or public corporation) debt in the market.

Net purchases by local authorities of other public sector debt are estimated asset by asset, where data are available: purchases of British government securities are estimated from an annual supplementary survey of amounts held by local authorities; some incomplete information is available for their lending to public corporations; repayments of regional water authorities' borrowing from local authorities are notified by a return from the water authorities. It may soon be possible to replace these data with more comprehensive information now becoming available from the new lending section of the survey of local authorities' borrowing and lending.

(iii) Public corporations

Unlike local authorities, there is at present no comprehensive survey which provides borrowing figures for public corporations. Some direct information is now being obtained and it is hoped to extend its coverage but most of the information at present has to come from a variety of sources among the counterpart sectors.[18, 19] The Treasury is nevertheless in touch with the financial activities of the corporations. Any new or unusual activity quickly becomes known so that extra data can be collected if needed.

The PCBR, like the LABR, is financed by direct borrowing from central government *plus* borrowing from other sources, *less* purchases of other public sector debt (i.e. central government and local authority debt), again illustrated in Table 2. Data for the borrowing from central government are available from the Treasury. Most of the other borrowing comes from banks and overseas. The Bank of England obtains data for bank borrowing from the regular comprehensive returns provided by banks. Much of the borrowing from overseas is made under the exchange cover scheme and becomes known through the administration of the scheme, and the remaining overseas borrowing becomes known in the course of day-to-day financial control of the corporations and from balance of payments sources. Public corporations have not made any stock issues in recent years but redemptions have to be taken into account. These now relate almost entirely to government guaranteed stocks, which with British government securities are registered by the Bank of England Issue Department, and figures for them are readily available.[20] Figures for corporations' own pension funds are obtained from a survey addressed to the pension funds. Borrowing by regional water authorities, passenger transport executives and trust ports (formerly classified as local authorities) where not otherwise covered is obtained from returns sent by them. Some incomplete figures for direct borrowing from local authorities, the only other means of finance currently being tapped by public corporations, are available from the corporations. The local authority borrowing and lending survey may soon provide a better source for this item.

Net purchases by public corporations of other public sector debt are also compiled piecemeal. There is some incomplete information about purchases of British government securities, Treasury bills and local authority debt, including some from the local authority borrowing and lending survey. Purchases of certificates of tax deposit by nationalised industries are obtained from a survey of nationalised industries' holdings of liquid assets. Deposits by nationalised industries with the National Loans Fund are notified by the Treasury.

Composition of the PSBR

The composition of the PSBR in terms of the sub-sector borrowing requirements is set out in Table 4 (based on *Financial Statistics* Table 2.5, which is the principal reference giving summary figures for the PSBR and its main components) and illustrated in Charts 3 to 6. Chart 3 shows that, compared with central government own account borrowing, the LABR and the PCBR have been relatively steady since 1963/64 though both fluctuated more after 1972/73 than in the earlier years. Central government own-account borrowing, in contrast, varied widely over the whole period. It was negative from 1963/64 to 1972/73 and positive since then, with cyclical changes superimposed on this underlying shift. The PSBR has generally varied in step with the large changes in the central government component.

Chart 4 compares the CGBR with the on-lending components included in it. Again there is a change of pattern about 1972/73 with on-lending to both local authorities and public corporations fluctuating more sharply since then, though the effect was somewhat smoothed out in the total on-lending. Changes in the total on-lending have generally reinforced the wide changes in central government own-account borrowing illustrated in Chart 3 so that changes in the CGBR have been even wider, with a pronounced upward shift in the general level after 1973/74.

Charts 5 and 6 illustrate the sub-division of the LABR and the PCBR between direct borrowing from central government and their contributions to the PSBR (i.e. their borrowing other than direct from central government *less* their net purchases of other public sector debt). For local authorities, borrowing from central government grew fairly steadily from 1963/64, when it was virtually zero, until 1975/76 and has fluctuated since then. The local authority contribution was fairly level until 1972/73; it then rose sharply until 1974/75 and has since fluctuated, generally at a higher level than the borrowing from central government.[21] For public corporations, the contribution was negligible until 1972/73; it then generally grew until 1976/77, partly as a result of increasing use of the exchange cover scheme by the public corporations from 1973, but has since fallen and became net repayment in 1979/80. Borrowing by the corporations from central government predominated throughout the period and since 1977/78 has been increasing sharply.

Sources of finance

As well as measuring the total amount of public sector borrowing it is useful, for analytical purposes, to determine where the finance comes from, i.e. the net lending by the other sectors as set out on the right-hand side of Table 3. This information is available from the financial or flow of funds accounts, which are also used for more general analytical and forecasting purposes. For the banking and other financial institutions sectors this information is

[18] The corporations give borrowing figures in their annual reports but, apart from the question of frequency, these are not available soon enough or in sufficient detail for helping to compile the PSBR.

[19] Interest has been expressed in the amount of the PCBR which constitutes 'borrowing for productive investment'. There are difficulties in trying to distinguish such a figure since it is not generally appropriate to associate particular sources of funds with particular uses. There is the additional problem that most of the public corporations' borrowing figures are collected from the counterpart sectors and are not identified as borrowing by particular corporations, and still less as borrowing for particular projects.

[20] These stocks are treated in the financial accounts as direct liabilities of central government (in line with their actual treatment in the market, both holders and the authorities treating them as gilt-edged stocks) matched by government claims on the corporations. These claims cease on maturity, when the corporations pay the central government the funds for redemption.

[21] A detailed examination of local authority borrowing in recent years is given in an article by Tony Butler, 'Recent trends in local authority borrowing' in *Economic Trends* No. 313, November 1979.

provided by the comprehensive system of returns covering these sectors. For the overseas sector the information is available from balance of payments statistics, the information for which comes from various sources such as the government stock register, returns from banks and others acting as agents for overseas customers, the Bank of England's day-to-day management of the reserves, and so on. Very little directly reported information is available for the industrial and commercial companies sector or for the personal sector. The transactions by those sectors are estimated mainly as residuals.

Changes in liquid assets

A financial deficit is met by borrowing or by running down financial assets or by some combination of the two. There is something to be said for putting changes in financial assets below the borrowing requirement line among the financing items where the assets are held for liquidity (e.g. bank deposits) and not policy purposes (e.g. investments in UK companies). But, with some exceptions, this is not done because frequent and timely data are not available and such data are essential for the PSBR, and even more for the CGBR, as an operational statistic.[22]

As described earlier, only negligible cash balances are maintained in the main government accounts. In addition to their central accounts, however, government departments have balances for day-to-day working, such as imprest accounts operated by local offices, and the Inland Revenue and the Customs and Excise Departments each hold locally sizeable floats of money in course of transmission to the Consolidated Fund. Changes in the balances on these accounts are put above the borrowing line. In the national accounts presentation of Table 2 they are included in 'other identified financial assets' between the NAFA and the borrowing requirement lines. Local authorities' and public corporations' bank deposits are similarly treated. Data are available for some other liquid assets such as local authorities' deposits with other financial institutions and public corporations' holdings of commercial bills. Where the data are satisfactory these are included in identified items or, where not, are included by implication in 'unidentified items', again between the NAFA and borrowing requirement lines.

The main exception is that changes in the official reserves, which are government assets, are counted as financing the PSBR. The reserves are held in the Exchange Equalisation Account. When foreign currency is bought for the account the government's need for sterling finance from elsewhere is increased, and the corresponding increase in the reserves is entered as an offsetting financing item. When foreign currency is sold from the account the sterling proceeds reduce the government's need for finance from elsewhere and the corresponding fall in the reserves is entered as a source of finance. The Bank of England Issue Department's transactions in commercial bills and local authority debt are also entered below the line because they are carried out as a substitute for transactions in Treasury bills as part of the Issue Department's market operations and are best entered with the similar transactions in Treasury bills. The Issue Department's transactions in commercial bills are a financing item in both the CGBR and the PSBR; its transactions in local authority bills are an intra-sector item affecting the CGBR and the LABR but having no effect on the PSBR.

[22] The net borrowing requirement of the industrial and commercial companies sector is defined rather differently with changes in liquid assets entered below the line – see an article by C. W. Pettigrew 'Financial balances of industrial and commercial companies', *Economic Trends* No. 302, December 1978.

Sources of finance since 1963

Table 5 (based on Table 2.6 in *Financial Statistics*) analyses the sources of finance for the PSBR by lending sector. The results are illustrated in Chart 7. The main features are the increasing importance from about 1970/71 of borrowing from the non-bank private sector (mainly 'other financial institutions' and persons) and the pronounced net repayments to overseas in 1969/70 to 1971/72 and again in 1977/78, when there were sharp increases in the official reserves.

Seasonality

The PSBR is strongly seasonal, mainly because flows of revenue to the central government are very seasonal. It is high in the first and third quarters of the financial year and low in the fourth. CGBR own account borrowing follows much the same seasonal pattern. In recent years LABR has been low in the first and third quarters of the financial year and high in the fourth, again mainly because of the pattern of revenue flows. The PCBR is less seasonal than the borrowing requirements of the other sub-sectors, but tends to be low in the first and fourth quarters of the financial year and high in the second. Seasonal adjustment of these aggregates is a complicated process (for example, switching between types of borrowing may disturb the seasonal pattern for individual instruments, though that for total borrowing remains stable) and needs continuous monitoring.

Seasonal adjustment assists interpretation of the short-term trend but the adjusted figures still include the effects of major disturbances such as the Post Office billing strike, which sharply increased the PCBR during 1979/80 (though its effects were largely unwound by the end of the financial year) and more recently special asset sales and the advancement of petroleum revenue tax, which have affected the level and timing of CGBR. There are a number of large irregular influences of this kind.

Responsibility for seasonal adjustment of the PSBR is divided between the Central Statistical Office and the Bank of England. The Central Statistical Office adjusts the CGBR for calendar quarters by adjusting the separate items of the current and capital accounts (as part of seasonally adjusting the national accounts) and the financial transactions, including central government on-lending to local authorities and public corporations, down to the CGBR line. They also adjust the current and capital accounts for local authorities and public corporations, at present stopping at the NAFA line. The Bank of England adjusts the remaining figures in the financial account, at the same time making sure that the adjusted figures sum to the CGBR within the central government sector and to the NAFA within the other two sectors, and that across all sectors the adjusted financial transactions sum to zero, a constraint to which financial transactions should conform.[23]

Frequency and timeliness

Outline figures for the CGBR and its financing (calendar monthly and quarterly) are known almost immediately. Banking month[24] figures for the CGBR and its financing by the non-bank private sector are compiled about 4 weeks

[23] The Central Statistical Office publishes the financial accounts, not seasonally adjusted, in *Financial Statistics*. The Bank of England publishes them in rather less detail but seasonally adjusted in the *Bank of England Quarterly Bulletin*. An account of the seasonal adjustment and constraining process carried out by the Bank of England is given in Part 4 of the Bank of England publication '*United Kingdom flow of funds accounts*: 1963–1976'.

[24] Months ending on the banks' make-up days.

from end-of-banking month. Figures for the LABR and the PCBR also take some weeks to collect. Calendar monthly LABR figures are compiled about 5 weeks from end-of-month, quarterly figures including financing details (based on the wider coverage of the quarterly survey to local authorities) about 7 weeks from end-of-quarter. Figures for the PCBR and its financing can be compiled only quarterly, about 7 weeks from end-of-quarter. Thus, figures for the PSBR itself are compiled about 7 weeks from end-of-quarter. Comprehensive figures for the sector breakdown of the financing items (i.e. between banks, other private sector, etc., and overseas) are compiled quarterly in conjunction with the financial accounts as a whole, which are completed about 13 weeks from end-of-quarter.

Publication

The figures are released by press notice or included in regular publications as they become available. Calendar monthly figures for the CGBR are published in a Treasury press notice[25] seven working days from the end-of-month and included in *Financial Statistics*, Table 3.1, about 3 weeks later. Banking month figures for the CGBR and its financing by the non-bank private sector are published in the banking statistics press notice issued by the Bank of England about four weeks from the end of the banking month, and included in *Financial Statistics*, Table 3.8, about 6 weeks from the end of the banking month. Quarterly figures for the CGBR and its financing are published in the *Bank of England Quarterly Bulletin*, Table 7, about 11 weeks from the end of the quarter, and in *Financial Statistics*, Table 3.8, about two weeks later.

Monthly LABR figures are published in *Financial Statistics*, Table 4.3 about 8 weeks from the end-of-month. Quarterly LABR and PCBR figures with the breakdown by financing sector are published in *Financial Statistics*, Table 4.3 for the LABR and Table 5.3 for the PCBR, about 13 weeks from the end-of-quarter.

Quarterly figures for the PSBR itself and its components are released by press notice[26] about 7 weeks from the end-of-quarter, and appear about 6 weeks later in *Financial Statistics*, Table 2.5, which is the main summary presentation of the PSBR and its components. The components analysed by financing sector are set out in *Financial Statistics*, Table 2.6. The PSBR and its financing by sector is also published as part of the money supply statistics in Table 11 of the *Bank of England Quarterly Bulletin* about 11 weeks after the end of the quarter, i.e. about 2 weeks before this appears in rather more detail in *Financial Statistics*.

[25] This press notice was introduced in May 1976, replacing the Treasury return of transactions of the Consolidated Fund and National Loans Fund, which used to be published in the *London Gazette*, and incorporating CGBR figures, which used to be published about 3 weeks later.

[26] This press notice was first issued in December 1975. Before then information about the PSBR emerged in rather piecemeal and tardy fashion, the overall total not being available until about 17 weeks after the quarter to which it related. The press notice was issued at first about 10 weeks from end-of-quarter; improvements in the data system since 1975 have shortened this to about 7 weeks.

ANNEX A

COMPOSITION OF THE PUBLIC SECTOR

The public sector comprises *central government, local authorities* and *public corporations*. Central government and local authorities make up the *general government* sector.

Central government

Central government comprises the bodies and funds that are financially accountable to Parliament. These are government departments, other bodies subject to detailed government financial control, and a number of other government funds and accounts controlled by departments.

Government departments comprise the departments of both the United Kingdom and the Northern Ireland governments together with all boards, commissions, etc. under their financial control and whose expenditure is charged directly to supply votes. This last group includes trading bodies such as the Forestry Commission which, although they operate commercially, do not have the financial independence of public corporations.

Other bodies subject to detailed government financial control include, for example, the Arts Council of Great Britain and the United Kingdom Atomic Energy Authority. Most of them draw the bulk of their income from government grants. Though perhaps not wholly dependent on supply votes, details of their revenue and expenditure are generally published in the *Estimates* and *Appropriation Accounts*, or as House of Commons papers or Command papers. Bodies receiving government grants but with sizeable other income and not subject to detailed government financial control, such as universities, are classified to the private sector.

Other government funds and accounts, the third component of central government, comprises a number of funds which have separate accounts but which are administered by departments or the other bodies mentioned above. Important examples are the National Insurance Fund and the Exchange Equalisation Account. These funds and accounts include the National Savings Bank ordinary account, all the investments of which have to be in central government debt. They exclude bodies like the NSB investment account and the National Girobank, which obtain funds from outside the public sector and can invest in assets other than central government debt. The Bank of England handles the note issue on behalf of the central government, holding government debt (in the main) as backing. The Issue Department of the Bank of England, which manages the account concerned, is treated as part of central government in the national accounts.

Local authorities

Local authorities, which are responsible for local public administration in Great Britain and Northern Ireland, having power to raise revenue by local taxation or by precepts on such taxation, are defined in the national accounts as the authorities obliged to make annual returns of income and expenditure under Section 168 of the Local Government Act 1972, Section 118 of the Local Government (Scotland) Act 1973, and Section 77 of the Local Government (Northern Ireland) Act 1972.

Bodies in England and Wales with special functions such as water boards, drainage authorities and harbour boards, which were obliged to make returns under the previous Local Government Act, do not have to do so under the present Act. They were kept in the local authority sector until 31 March 1974 and then transferred to the public corporations sector. At the same time statutory harbour boards and authorities (public trust ports) in Scotland and Northern Ireland were transferred to the public corporations sector.

Public corporations

Public corporations as defined in the national accounts are the public trading bodies which have substantial financial independence from the public authority (central or local government) which created them. They are publicly controlled in that the public authority appoints the whole, or most, of the board of management but, unlike trading bodies included in central government, they are free to manage their affairs without detailed control by Parliament or other elected body and are empowered to borrow, within limits laid down, and to maintain reserves.

As well as the nationalised industries, public corporations include bodies such as the BBC, the Civil Aviation Authority, the National Dock Labour Board, and so on. An up-to-date list is given in *Financial Statistics Explanatory handbook* 1980 Edition, page 56. The Bank of England and the Post Office are included as public corporations in the current and capital accounts (their fixed investment is included in public expenditure) but the Bank of England Banking Department and the Post Office National Girobank are included in the banking sector in the national accounts since their financial transactions are the same kind as those of banks. The very small statistical inconsistencies are accepted. (As already mentioned, the Bank of England Issue Department is classified as part of central government throughout the accounts.)

In general, UK subsidiary companies of public corporations are treated as part of their parent corporations; overseas subsidiary companies are not. The major exception is the National Enterprise Board, itself a public corporation, the subsidiaries of which are classified to the companies sector. Central government has acquired majority shareholdings in a number of companies over the years (as in British Petroleum), and more recently through the National Enterprise Board (as in British Leyland), sometimes selling part or all of them later, but the companies have not necessarily been reclassified between sectors. Only where central government assumes control on what is intended to be a permanent basis as well as acquiring a majority shareholding, or similarly relinquishes control, is reclassification carried out.

General

More information about the composition of the central government, local authorities and public corporations sectors is given in *National Accounts Statistics: Sources and Methods* (e.g. on pages 237, 251 and 306) and in the appropriate sections of *Financial Statistics Explanatory handbook* 1980 Edition.

APPENDIX 1

Comparison of the PSBR with GDP, public sector current surplus and public sector NAFA[1,2]

TABLE 1

	£ million						
	PSBR		GDP[3]			Public sector	
						Current prices	
Financial years	Current prices	1975 prices[4]	Current prices	1975 prices	PSBR as a percentage of GDP[3]	Current surplus	NAFA
1963/64	1,086	2,745	31,046	78,474	*3·5*	1,056	−1,070
1964/65	882	2,127	33,817	81,548	*2·6*	1,713	− 820
1965/66	1,000	2,311	36,093	83,413	*2·8*	2,102	− 635
1966/67	1,213	2,679	38,589	85,235	*3·1*	2,210	−1,062
1967/68	1,984	4,281	40,698	87,825	*4·9*	2,218	−1,748
1968/69	471	963	44,182	90,380	*1·1*	3,440	− 399
1969/70	−509	−993	47,312	92,324	*−1·1*	4,707	781
1970/71	809	1,453	52,351	94,036	*1·5*	4,859	238
1971/72	1,038	1,719	58,835	97,456	*1·8*	3,993	− 660
1972/73	2,529	3,880	66,200	101,552	*3·8*	3,009	−1,988
1973/74	4,442	6,393	73,461	105,719	*6·0*	2,661	−3,402
1974/75	7,993	9,583	87,810	105,275	*9·1*	2,256	−5,968
1975/76	10,586	10,142	110,184	105,564	*9·6*	2,188	−8,328
1976/77	8,519	7,228	127,654	108,312	*6·7*	3,714	−7,144
1977/78	5,596	4,184	147,638	110,379	*3·8*	3,776	−6,242
1978/79	9,257	6,275	167,379	113,458	*5·5*	2,769	−8,155
1979/80	9,964	5,795	196,701	114,408	*5·1*	4,846	−7,221

[1] Consistent with *Financial Statistics* and *Economic Trends* for July 1980.
[2] *Sign convention:* In this presentation, borrowing is counted as positive and repayment as negative.
[3] Expenditure based, at market prices.
[4] Calculated using the same deflator as for GDP.

Components of the public sector: outline current, capital and financial accounts 1979/80[1,2]

TABLE 2

	£ million				
	General, government				
	Central government	Local authorities	Total	Public corporations	Public sector
Current account					
Current saving	— 398	1,213	815	4,031	4,846
Capital account					
Net capital transfers	— 890	11	— 879	568	— 311
Gross domestic fixed capital formation	−1,537	−3,738	−5,275	−5,755	−11,030
Increase in book value of stocks and work in progress	— 130	—	— 130	— 596	— 726
Net acquisition of financial assets	−2,955	−2,514	−5,469	−1,752	−7,221
Financial account					
Lending to the private sector	24	— 413	— 389	90	— 299
Purchases of company securities	310	—	310	— 371	— 61
Lending overseas	357	—	357	— 101	256
Net trade credit	—	—	—	749	749
Receipts from unfunded pension schemes	247	—	247	—	247
Other identified financial assets	776	22	798	— 633	165
Accruals adjustment	−2,314	157	−2,157	155	−2,002
Unidentified items	— 705	— 195	— 900	— 898	−1,798
Borrowing requirement (on own account)	−4,260	−2,943	−7,203	−2,761	−9,964
Central government direct lending to:					
Local authorities	— 817	817	—	—	—
Public corporations	−3,151	—	−3,151	3,151	—
Other transactions in:					
Central government debt	8,228[3]	— 10	8,218	— 98	8,120
Local authority debt	—	2,122	2,122	130	2,252
Public corporation debt	—	14	14	— 422	— 408

[1] Consistent with *Financial Statistics*, July 1980.

[2] *Sign convention:* In this presentation, inflows are treated as positive, outflows as negative. Over the whole account, total inflow equals total outflow. The balances (net acquisition of financial assets and own account borrowing requirement) are struck by adding downwards. They therefore equal the total of the remaining inflows and outflows below them, but with opposite sign.

[3] The CGBR, i.e. the central government's borrowing to finance its own account borrowing requirement (— 4,260) and also its on-lending to local authorities and public corporations (— 817 and — 3,151).

Financing the own account borrowing requirements, 1979/80[1,2]

TABLE 3

£ million

	General government						Non-bank private sector					
	Central government	Local authorities	Total	Public corporations	Public sector	Banking sector	Other financial institutions	Industrial and commercial companies	Personal sector	Total non-bank private sector	Overseas sector	
Borrowing requirement (on own account)[3]	−4,260	−2,943	−7,203	−2,761	−9,964	716	6,349	−1,067	+3,775	9,057	191	
Notes and coin	1,008		1,008		1,008	−456		− 223	− 329	− 552	—	
Market treasury bills	56		56	− 9	47	+263	+ 24	− 29		− 5	− 305	
British government securities	8,977	− 10	8,967	100	9,067	+357	−6,304	− 34	−1,987	−8,325	−1,099	
National savings	1,013		1,013		1,013				−1,013	−1,013		
Tax instruments	− 953		− 953	11	− 942	+ 29	+ 136	+ 801	− 24	+ 913		
Net government indebtedness to Bank of England banking department	− 26		− 26		− 26	+ 26						
Northern Ireland central government debt	2		2		2	+ 3	+ 1	—	− 6	− 5	—	
Local authority debt:												
Issue department Bank of England and National Insurance fund	− 332	332	—		—							
Exchange cover scheme costs	− 27	27	—		—							
Loans from central government	− 817	817	—		—							
Other		1,763	1,763	130	1,893	−961	− 372	− 212	− 437	−1,021	+ 89	
Bank lending to public corporations				− 48	− 48	+ 48						
Other loans by the public sector to the private sector:												
Transactions in commercial bills by the Bank of England issue department	− 765		− 765		− 765			+ 765		+ 765		
Loans by superannuation funds to parent organisations				− 25	− 25		+ 25			+ 25		
Other identified home assets:												
Other non-marketable debt:												
Ways and means advances	− 2		− 2		− 2		+ 2			+ 2		
Fund for the banks for savings	− 230		− 230		− 230		+ 230			+ 230		
Nationalised industry deposits with NLF	200		200	− 200	—							
Other public corporation transactions:												
Government guaranteed stock (redemptions)	540		540	− 540	—							
Sterling stock issues less redemptions			—	—	—	− 21			+ 21	+ 21		
Exchange cover scheme costs	− 91		− 91	91	—							
Loans from central government	−3,151		−3,151	3,151	—							
Other borrowing		14	14	82	96	− 4	− 91	− 1		− 92		
Foreign currency borrowing by HMG	—		—		—	—					—	
Allocation of SDRs	180		180		180						− 180	
Official reserves	− 561		− 561		− 561						+ 561	
Inter-government loans (net)	− 116		− 116		− 116						+ 116	
Transactions with IMF, etc.	− 645		− 645		− 645						+ 645	
Other identified overseas assets				18	18						− 18	

[1] Consistent with *Financial Statistics*, July 1980.

[2] *Sign convention:* As for Table 2, inflows are counted as positive and outflows as negative. The borrowing requirements for the public sector and its components are brought forward from Table 2. As explained in the note to Table 2, they are obtained by adding downwards in Table 2, and therefore equal the total of the remaining inflows and outflows below them, but with opposite sign.

[3] A borrowing requirement is not in fact defined in the financial accounts for the banking sector, other financial institutions, the personal sector and the overseas sector, and is defined rather differently for the industrial and commercial companies sector. The figures in the top line for these sectors are included for illustration only and have been calculated, sector by sector, as the totals of the transactions financing the PSBR with reversed sign.

Composition of the public sector borrowing requirement[1,2,3]

TABLE 4

£ million

	Central government		Local authorities				Public corporations			
Financial years	Borrowing requirement	*of which* Own account	Direct borrowing from central government	Contribution[4]	Borrowing requirement	General government borrowing requirement	Direct borrowing from central government	Contribution[4]	Borrowing requirement	Public sector borrowing requirement
	1	2	3	4	5	6	7	8	9	10
1963/64	380	−103	−7	684	677	1,064	490	22	512	1,086
1964/65	324	−524	244	573	817	897	604	−15	589	882
1965/66	517	−689	551	458	1,009	975	655	25	680	1,000
1966/67	756	−729	570	484	1,054	1,240	915	−27	888	1,213
1967/68	1,344	−368	393	714	1,107	2,058	1,319	−74	1,245	1,984
1968/69	−249	−1,641	497	679	1,176	430	895	41	936	471
1969/70	−899	−2,375	563	534	1,097	365	913	−144	769	−509
1970/71	4	−1,629	712	556	1,268	560	921	249	1,170	809
1971/72	642	−1,355	860	561	1,421	1,203	1,137	−165	972	1,038
1972/73	1,934	−225	968	594	1,562	2,528	1,191	1	1,192	2,529
1973/74	2,172	670	1,000	1,563	2,563	3,735	502	707	1,209	4,442
1974/75	5,082	2,502	1,136	2,231	3,367	7,313	1,444	680	2,124	7,993
1975/76	8,803	5,574	1,178	1,294	2,472	10,097	2,051	489	2,540	10,586
1976/77	5,944	4,277	627	1,378	2,005	7,322	1,040	1,197	2,237	8,519
1977/78	4,431	2,666	1,063	429	1,492	4,860	702	736	1,438	5,596
1978/79	8,084	6,023	338	952	1,290	9,036	1,723	221	1,944	9,257
1979/80	8,228	4,260	817	2,126	2,943	10,354	3,151	−390	2,761	9,964

[1] Consistent with *Financial Statistics,* July 1980, based on *Financial Statistics,* Table 2·5.

[2] Relationships between the columns: 3 + 4 = 5
7 + 8 = 9
1 + 4 = 6
1 + 4 + 8 = 10
2 + 5 + 9 = 10
6 + 8 = 10

[3] *Sign convention:* In this presentation, borrowing is counted as positive and repayment as negative.

[4] Borrowing other than direct from central government *less* net purchases of other public sector debt.

Public sector borrowing requirement: sources of finance[1,2]

TABLE 5

£ million

Financial years	Public sector borrowing requirement	Non-bank private sector				Banking sector		Overseas sector
		Total	Other financial institutions	Industrial and commercial companies	Personal sector	Borrowing in sterling from banks	External finance: Foreign currency borrowing from banks	External finance: Direct external finance
1963/64	1,086	619	323	114	182	375	—	92
1964/65	882	504	261	−67	310	−365	—	743
1965/66	1,000	495	539	−53	9	579	—	−74
1966/67	1,213	776	452	−59	383	410	—	27
1967/68	1,984	534	475	55	4	1	—	1,449
1968/69	471	−95	180	45	−320	120	18	428
1969/70	−509	931	527	−43	447	−208	−8	−1,224
1970/71	809	827	868	68	−109	1,165	13	−1,196
1971/72	1,038	2,145	1,326	338	481	745	21	−1,873
1972/73	2,529	1,308	420	96	792	−280	47	1,454
1973/74	4,442	2,931	1,127	225	1,579	301	1,081	129
1974/75	7,993	5,243	2,832	470	1,941	127	1,106	1,517
1975/76	10,586	6,048	4,004	1,134	910	3,373	2	1,163
1976/77	8 519	7,983	3,549	396	4,038	−583	920	199
1977/78	5,596	7,803	5,634	618	1,551	2,097	−50	−4,254
1978/79	9,257	9,798	5,026	1,475	3,297	−1,129	−337	925
1979/80	9,964	9,057	6,349	−1,067	3,775	1,331	−615	191

[1] Consistent with *Financial Statistics,* July 1980, based on *Financial Statistics,* Table 2·6.

[2] *Sign convention:* In this presentation, both borrowing and its financing are counted as positive, repayment and its counterparts as negative.

APPENDIX 2

CHART 1

Public sector borrowing requirement at current prices and as a percentage of gross domestic product

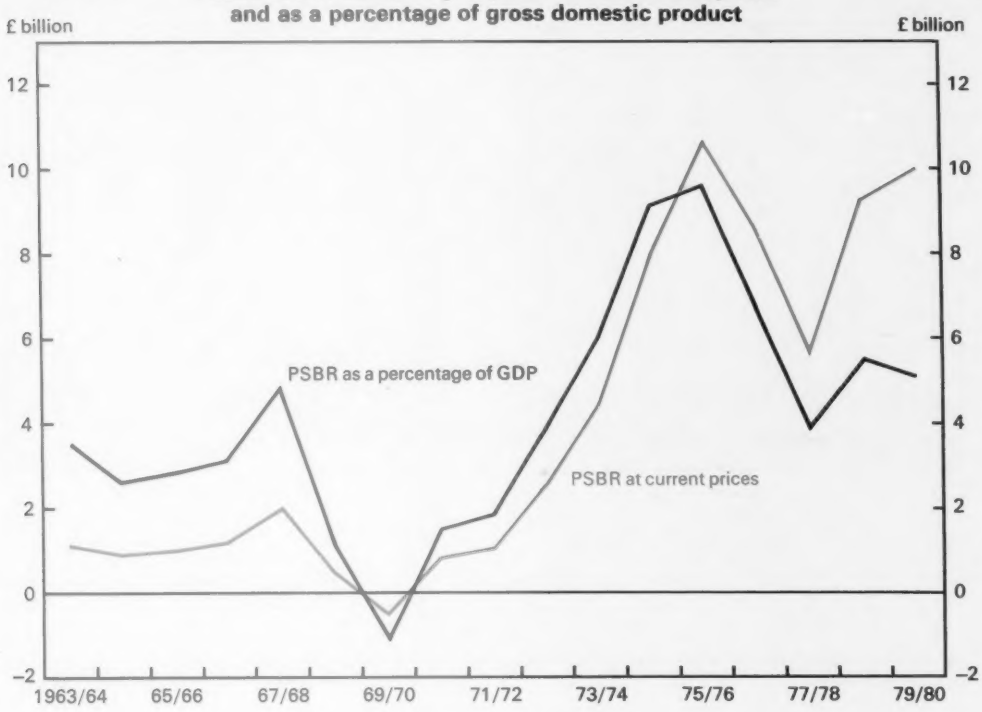


CHART 2

Public sector borrowing requirement compared with public sector current surplus and net acquisition of financial assets

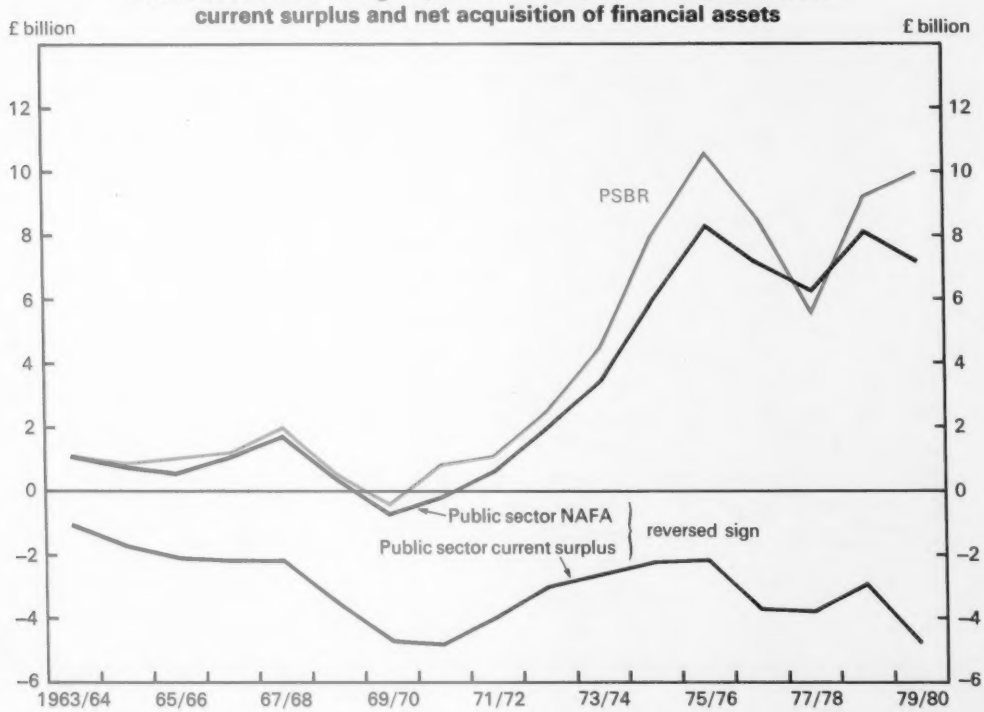


CHART 3

Own account borrowing requirements

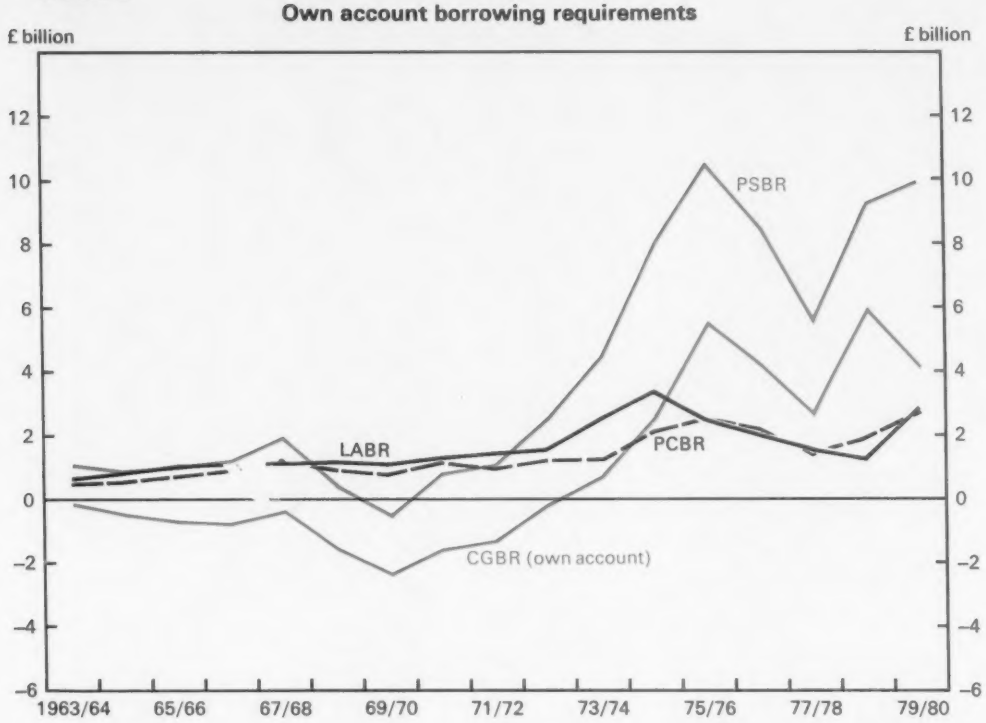


CHART 4

Composition of central government borrowing requirement

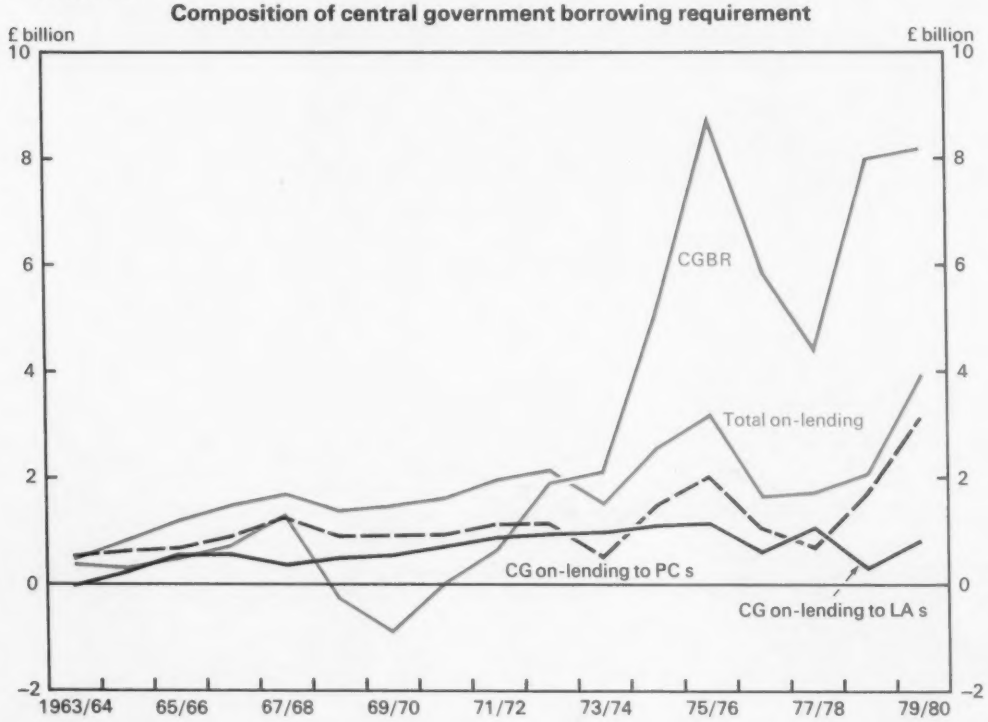


CHART 5

Composition of local authorities borrowing requirement

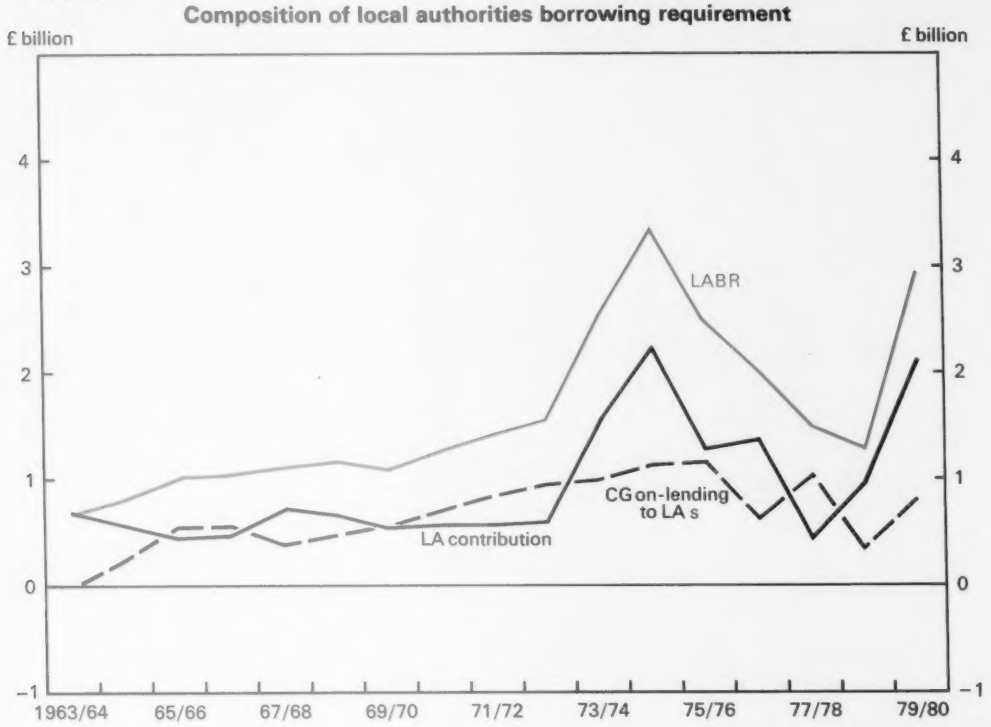


CHART 6

Composition of public corporations borrowing requirement

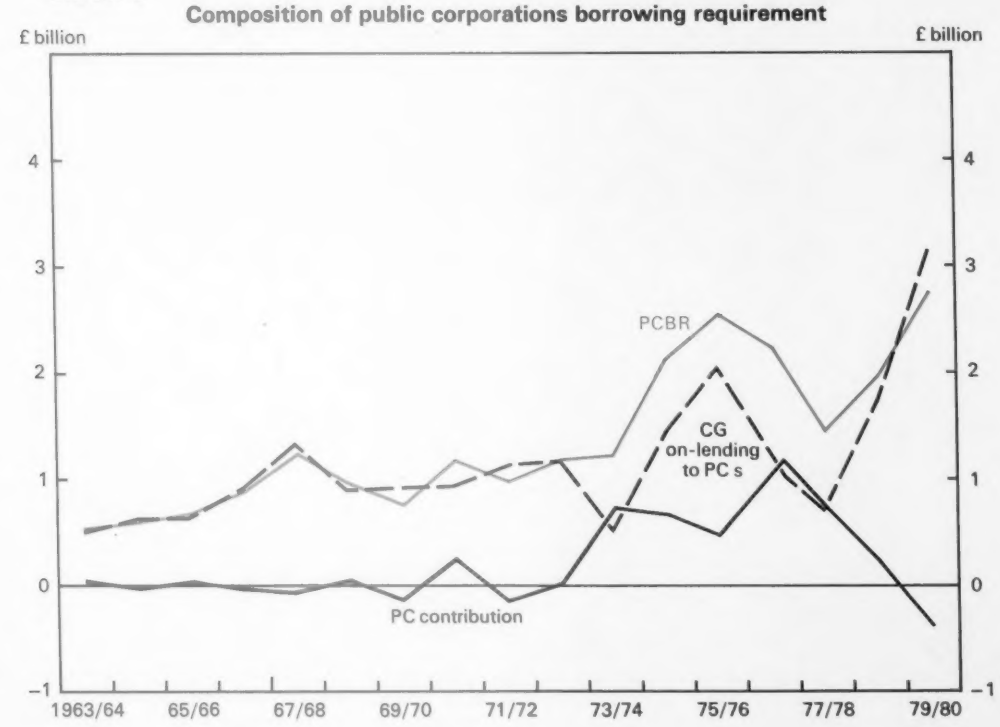
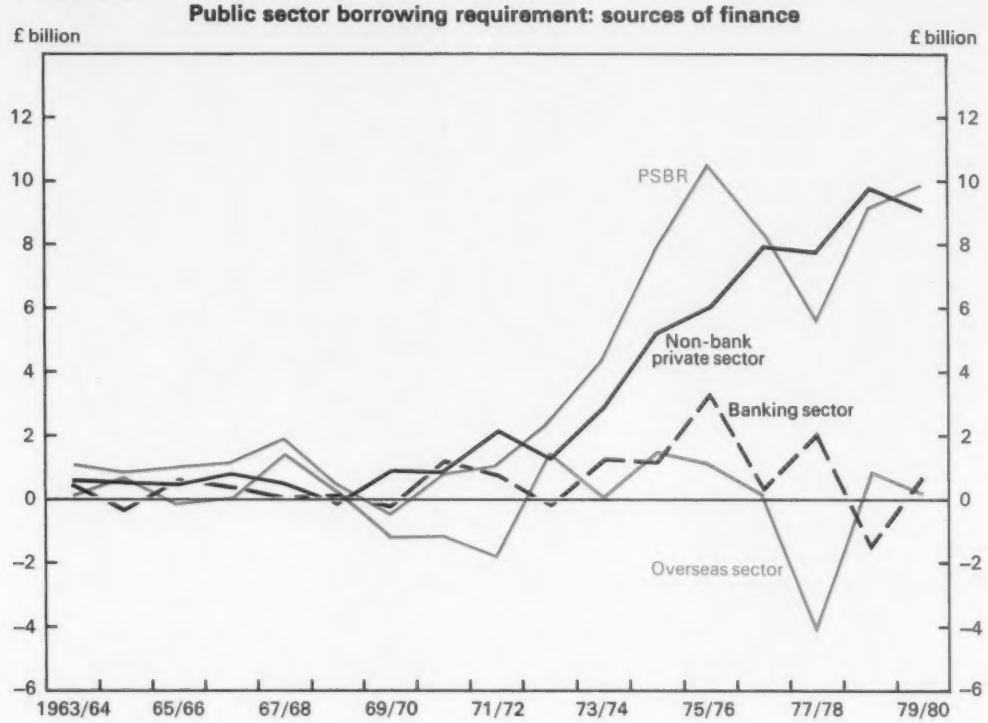


CHART 7

Public sector borrowing requirement: sources of finance



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Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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